Adopted	Rejected

COMMITTEE REPORT

YES: 15
NO: 0

MR. SPEAKER:

Your Committee on **Ways and Means**, to which was referred House Bill 1001, 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 Delete the title and insert the following:
2 A BILL FOR AN ACT to amend the Indiana code concerning local
3 government.
4 Delete everything after the enacting clause and insert the following:
5 SECTION 1. IC 5-1-16-42 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 42. (a) When the
7 authority, the board of trustees or board of managers of the hospital, the
8 board of commissioners of the county, and a majority of the county
9 council have agreed upon the terms and conditions of any lease
10 proposed to be entered into under section 38 or 39 of this chapter, and
11 before the final execution of the lease, the county auditor shall give
12 notice by publication of a public hearing to be held in the county by the
13 board of commissioners. The hearing shall take place on a day not
14 earlier than ten (10) days after the publication of the notice. The notice
15 of the hearing shall be published one (1) time in a newspaper of general

circulation printed in the English language and published in the county. The notice shall do the following:

(1) Name the day, place, and hour of the hearing.

(2) Set forth a brief summary of the principal terms of the lease agreed upon, including the character and location of the property to be leased, the lease rental to be paid, and the number of years the contract is to be in effect.

(3) State a location where the proposed lease, drawings, plans, specifications, and estimates may be examined.

The proposed lease and the drawings, plans, specifications, and estimates of construction cost for the building shall be open to inspection by the public during the ten (10) day period and at the hearing. All interested persons shall have a right to be heard at the hearing on the necessity for the execution of the lease and whether the lease rental under the lease is fair and reasonable. The hearing may be adjourned to a later date with the place of the hearing fixed prior to adjournment. Following the hearing, the board of commissioners may either authorize the execution of the lease as originally agreed upon or may make modifications that are agreed upon by the authority, the board of trustees or board of managers of the hospital, and the county council. The authorization shall be by an order that is entered in the official records of the board of commissioners. The lease contract shall be executed on behalf of the county by the board of commissioners.

(b) If the execution of the lease as originally agreed upon or as modified by agreement is authorized, notice of the signing of the lease shall be given on behalf of the county by publication one (1) time in a newspaper of general circulation printed in the English language and published in the county. Except as provided in subsection (d), ten (10) or more taxpayers in the county whose tax rate will be affected by the proposed lease and who may be of the opinion that no necessity exists for the execution of the lease or that the lease rental under the lease is not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after publication of notice of the execution of the lease that sets forth the taxpayers' objections and facts supporting those objections. Upon the filing of a petition, the county auditor shall immediately certify a copy of the petition together with such other data as may be necessary in order to present the questions involved to the department of local government finance. Upon receipt

of the certified petition and information, the department of local government finance shall fix a time and place in the affected county for the hearing of the matter that is not less than five (5) or more than fifteen (15) days after receipt. Notice of the hearing shall be given by the department of local government finance to the board of county commissioners and to the first ten (10) taxpayer petitioners upon the petition by certified mail sent to the addresses listed on the petition at least five (5) days before the date of the hearing.

(c) No action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease shall be instituted at any time later than thirty (30) days after publication of notice of the execution of the lease, or if an appeal has been taken to the department of local government finance, then within thirty (30) days after the decision of the department.

(d) The authority for taxpayers to object to a proposed lease under subsection (b) does not apply if the authority complies with the procedures for the issuance of bonds and other evidences of indebtedness described in ~~IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2.~~ **IC 6-1.1-20.**

SECTION 2. IC 5-3-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) This section applies only when notice of an event is required to be given by publication in accordance with IC 5-3-1.

(b) If the event is a public hearing or meeting concerning any matter not specifically mentioned in subsection (c), (d), (e), (f), (g), or (h) notice shall be published one (1) time, at least ten (10) days before the date of the hearing or meeting.

(c) If the event is an election, notice shall be published one (1) time, at least ten (10) days before the date of the election.

(d) If the event is a sale of bonds, notes, or warrants, notice shall be published two (2) times, at least one (1) week apart, with:

(1) the first publication made at least fifteen (15) days before the date of the sale; and

(2) the second publication made at least three (3) days before the date of the sale.

(e) If the event is the receiving of bids, notice shall be published two (2) times, at least one (1) week apart, with the second publication made at least seven (7) days before the date the bids will be received.

(f) If the event is the establishment of a cumulative or sinking fund, notice of the proposal and of the public hearing that is required to be held by the political subdivision shall be published two (2) times, at least one (1) week apart, with the second publication made at least three (3) days before the date of the hearing.

(g) If the event is the submission of a proposal adopted by a political subdivision for a cumulative or sinking fund for the approval of the department of local government finance, the notice of the submission shall be published one (1) time. The political subdivision shall publish the notice when directed to do so by the department of local government finance.

(h) If the event is the required publication of an ordinance, notice of the passage of the ordinance shall be published one (1) time within thirty (30) days after the passage of the ordinance.

(i) If the event is one about which notice is required to be published after the event, notice shall be published one (1) time within thirty (30) days after the date of the event.

(j) If the event is anything else, notice shall be published two (2) times, at least one (1) week apart, with the second publication made at least three (3) days before the event.

(k) In case any officer charged with the duty of publishing any notice required by law is unable to procure advertisement at the price fixed by law, or the newspaper refuses to publish the advertisement, it is sufficient for the officer to post printed notices in three (3) prominent places in the political subdivision, instead of advertisement in newspapers.

~~(l) If a notice of budget estimates for a political subdivision is published as required in IC 6-1.1-17-3, and the published notice contains an error due to the fault of a newspaper, the notice as presented for publication is a valid notice under this chapter.~~

~~(m) Notwithstanding subsection (j), if a notice of budget estimates for a political subdivision is published as required in IC 6-1.1-17-3, and if the notice is not published at least ten (10) days before the date fixed for the public hearing on the budget estimate due to the fault of a newspaper, the notice is a valid notice under this chapter if it is published one (1) time at least three (3) days before the hearing.~~

SECTION 3. IC 5-3-1-3, AS AMENDED BY P.L.1-2005, SECTION 73, IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE JULY 1, 2007]: Sec. 3. (a) Within sixty (60) days after the expiration of each calendar year, the fiscal officer of each civil city and town in Indiana shall publish an annual report of the receipts and expenditures of the city or town during the preceding calendar year.

(b) Not earlier than August 1 or later than August 15 of each year, the secretary of each school corporation in Indiana shall publish an annual financial report.

(c) In the annual financial report the school corporation shall include the following:

(1) Actual receipts and expenditures by major accounts ~~as compared to the budget advertised under IC 6-1.1-17-3~~ for the prior calendar year.

(2) The salary schedule for all certificated employees (as defined in IC 20-29-2-4) as of June 30, with the number of employees at each salary increment. However, the listing of salaries of individual teachers is not required.

(3) The extracurricular salary schedule as of June 30.

(4) The range of rates of pay for all noncertificated employees by specific classification.

(5) The number of employees who are full-time certificated, part-time certificated, full-time noncertificated, and part-time noncertificated.

(6) The lowest, highest, and average salary for the administrative staff and the number of administrators without a listing of the names of particular administrators.

(7) The number of students enrolled at each grade level and the total enrollment.

(8) The assessed valuation of the school corporation for the prior and current calendar year.

(9) The tax rate for each fund for the prior and current calendar year.

(10) In the general fund, capital projects fund, and transportation fund, a report of the total payment made to each vendor for the specific fund in excess of two thousand five hundred dollars ($2,500) during the prior calendar year. However, a school corporation is not required to include more than two hundred (200) vendors whose total payment to each vendor was in excess of two thousand five hundred dollars ($2,500). A school

corporation shall list the vendors in descending order from the vendor with the highest total payment to the vendor with the lowest total payment above the minimum listed in this subdivision.

(11) A statement providing that the contracts, vouchers, and bills for all payments made by the school corporation are in its possession and open to public inspection.

(12) The total indebtedness as of the end of the prior calendar year showing the total amount of notes, bonds, certificates, claims due, total amount due from such corporation for public improvement assessments or intersections of streets, and any and all other evidences of indebtedness outstanding and unpaid at the close of the prior calendar year.

(d) The school corporation may provide an interpretation or explanation of the information included in the financial report.

(e) The department of education shall do the following:

(1) Develop guidelines for the preparation and form of the financial report.

(2) Provide information to assist school corporations in the preparation of the financial report.

(f) The annual reports required by this section and IC 36-2-2-19 and the abstract required by IC 36-6-4-13 shall each be published one (1) time only, in accordance with this chapter.

(g) Each school corporation shall submit to the department of education a copy of the financial report required under this section. The department of education shall make the financial reports available for public inspection.

SECTION 4. IC 5-28-15-8, AS ADDED BY P.L.4-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 8. (a) This section applies to records and other information, including records and information that are otherwise confidential, maintained by the following:

(1) The board.

(2) A U.E.A.

(3) The department of state revenue.

(4) The corporation.

(5) The department of local government finance.

(6) A county auditor.

(7) A township assessor.

(8) A county assessor.

(b) A person or an entity listed in subsection (a) may request a second person or entity described in subsection (a) to provide any records or other information maintained by the second person or entity that concern an individual or a business that is receiving a tax deduction, exemption, or credit related to an enterprise zone. Notwithstanding any other law, the person or entity to whom the request is made under this section must comply with the request. A person or entity receiving records or information under this section that are confidential must also keep the records or information confidential.

(c) A person or an entity that receives confidential records or information under this section and knowingly or intentionally discloses the records or information to an unauthorized person commits a Class A misdemeanor.

SECTION 5. IC 6-1.1-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Except as provided in subsection (b), "assessed value" or "assessed valuation" means an amount equal to:

(1) for assessment dates before March 1, 2001, thirty-three and one-third percent (33 1/3%) of the true tax value of property; and

(2) for assessment dates after February 28, 2001, the true tax value of property.

(b) For purposes of calculating a budget, rate, or levy under IC 6-1.1-17, IC 6-1.1-18, IC 6-1.1-18.5, IC 6-1.1-19, ~~IC 6-1.1-20, IC 21-2-11.5,~~ and IC 21-2-15, "assessed value" or "assessed valuation" does not include **either of the following:**

(1) The assessed value of tangible property excluded and kept separately on a tax duplicate by a county auditor under ~~IC 6-1.1-17-0.5.~~ **IC 6-1.1-17-0.5(b).**

(2) The amount of a reduction to a taxing unit's assessed value made by the county auditor under IC 6-1.1-17-0.5(d).

SECTION 6. IC 6-1.1-1-3.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: **Sec. 3.2. "Assessor" means, unless the context requires otherwise, the following:**

(1) In a township with a township assessor, the township assessor.

(2) In a township without a township assessor, the county assessor.

SECTION 7. IC 6-1.1-1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 15. "Real property" means:

(1) land located within this state;

(2) a building or fixture situated on land located within this state;

(3) an appurtenance to land located within this state;

(4) an estate in land located within this state, or an estate, right, or privilege in mines located on or minerals, including but not limited to oil or gas, located in the land, if the estate, right, or privilege is distinct from the ownership of the surface of the land; and

(5) notwithstanding IC 6-6-6-7, a riverboat:

(A) licensed under IC 4-33; or

(B) operated under an operating agent contract under IC 4-33-6.5;

for which the department of local government finance shall prescribe standards to be used by ~~township~~ assessors.

SECTION 8. IC 6-1.1-1-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. "Taxing district" means a geographic area within which property is taxed:

(1) by the same taxing units; and

(2) except as provided in IC 6-1.1-22-2.5, at the same total rate.

SECTION 9. IC 6-1.1-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 1. (a) Except as provided in subsection (c) and section 11 of this chapter, personal property which is owned by a person who is a resident of this state shall be assessed at the place where the owner resides on the assessment date of the year for which the assessment is made.

(b) Except as provided in subsection (c) and section 11 of this chapter, personal property which is owned by a person who is not a resident of this state shall be assessed at the place where the owner's principal office within this state is located on the assessment date of the year for which the assessment is made.

(c) Personal property shall be assessed at the place where it is situated on the assessment date of the year for which the assessment is made if the property is:

(1) regularly used or permanently located where it is situated; or

(2) owned by a nonresident who does not have a principal office within this state.

(d) If a personal property return is filed pursuant to subsection (c), the owner of the property shall provide, within forty-five (45) days after the filing deadline, a copy or other written evidence of the filing of the return to the assessor ~~of~~ **who serves** the ~~township in which~~ **area where** the owner resides. If such evidence is not filed within forty-five (45) days after the filing deadline, the assessor ~~of~~ **who serves** the ~~township in which~~ **area where** the owner resides shall determine if the owner filed a personal property return in the township **or county** where the property is situated. If such a return was filed, the property shall be assessed where it is situated. If such a return was not filed, the assessor ~~of~~ **who serves** the ~~township where~~ **area where** the owner resides shall notify the assessor ~~of~~ **who serves** the ~~township where~~ **area where** the property is situated, and the property shall be assessed where it is situated. This subsection does not apply to a taxpayer who:

(1) is required to file duplicate personal property returns under section 7(c) of this chapter and under regulations promulgated by the department of local government finance with respect to that section; or

(2) is required by the department of local government finance to file a summary of the taxpayer's business tangible personal property returns.

SECTION 10. IC 6-1.1-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 5. Before the assessment date of each year, the county auditor shall deliver to each ~~township~~ assessor the proper assessment books and necessary blanks for the listing and assessment of personal property.

SECTION 11. IC 6-1.1-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 6. Between the assessment date and the filing date of each year, the appropriate ~~township~~ assessor shall furnish each person whose personal property is subject to assessment for that year with a personal property return.

SECTION 12. IC 6-1.1-3-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 7. (a) Except as provided in subsections (b) and (d), a taxpayer shall, on or before the filing date of each year, file a personal property return with the assessor

~~of each township~~ **who serves the area** in which the taxpayer's personal property is subject to assessment.

(b) The ~~township~~ assessor may grant a taxpayer an extension of not more than thirty (30) days to file the taxpayer's return if:

(1) the taxpayer submits a written application for an extension prior to the filing date; and

(2) the taxpayer is prevented from filing a timely return because of sickness, absence from the county, or any other good and sufficient reason.

(c) If the sum of the assessed values reported by a taxpayer on the business personal property returns which the taxpayer files with the ~~township~~ assessor for a year exceeds one hundred fifty thousand dollars ($150,000), the taxpayer shall file each of the returns in duplicate.

(d) ~~A taxpayer may file a consolidated return with the county assessor~~ If: ~~the~~

(1) a taxpayer has personal property subject to assessment in more than one (1) township in a county; and

(2) the total assessed value of the personal property in the county is less than one million five hundred thousand dollars ($1,500,000); ~~A~~

the taxpayer filing a ~~consolidated~~ return shall attach a schedule listing, by township, all the taxpayer's personal property and the property's assessed value. ~~A taxpayer filing a consolidated return is not required to file a personal property return with the assessor of each township. A~~ **The** taxpayer ~~filing a consolidated return~~ shall provide ~~the following: (1)~~ the county assessor with the information necessary for the county assessor to allocate the assessed value of the taxpayer's personal property among the townships listed on the return, including the street address, the township, and the location of the property.

~~(2) A copy of the consolidated return, with attachments, for each township listed on the return.~~

~~(e) The county assessor shall provide to each affected township assessor in the county all information filed by a taxpayer under subsection (d) that affects the township. The county assessor shall provide the information before:~~

~~(1) May 25 of each year, for a return filed on or before the filing date for the return; or~~

~~(2) June 30 of each year, for a return filed after the filing date for~~

~~the return.~~

~~(f) The township assessor shall send all required notifications to the taxpayer.~~

~~(g)~~ **(e)** The county assessor may refuse to accept a ~~consolidated~~ personal property tax return that does not ~~have attached to it a schedule listing, by township, all the personal property of the taxpayer and the assessed value of the property as required under~~ **comply with** subsection (d). For purposes of IC 6-1.1-37-7, a ~~consolidated~~ return **to which subsection (d) applies** is filed on the date it is filed with the county assessor with the schedule ~~of personal property and assessed value~~ **required by subsection (d)** attached.

SECTION 13. IC 6-1.1-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 11. (a) For purposes of this section, "inventory" means:

(1) materials held for processing or for use in production;

(2) finished or partially finished goods of a manufacturer or processor; and

(3) property held for sale in the ordinary course of trade or business.

(b) For purposes of this section, "dealer" has the meaning set forth in IC 9-13-2-42.

(c) For purposes of this section, "established place of business" refers to a place of business that meets the minimum standards prescribed by the bureau of motor vehicles under rules adopted under IC 4-22-2.

(d) If the inventory owned or held by a taxpayer on the assessment date of a year does not, in the taxpayer's opinion, fairly represent the average inventory carried by the taxpayer, the taxpayer may elect to list the taxpayer's inventory for assessment on the basis of the average true tax value of the inventory owned or held by the taxpayer during the preceding calendar year, or during the portion of the preceding calendar year that the taxpayer was engaged in business.

(e) If a taxpayer elects to use the average method, the taxpayer shall notify the ~~township~~ assessor of the election at the time the taxpayer files the taxpayer's personal property return. The election, once made, is binding on the taxpayer for the tax year in question and for each year thereafter unless permission to change is granted by the department of local government finance.

(f) If a taxpayer elects to use the average method, the taxpayer shall use that method for reporting the value of all the taxpayer's inventories which are located in this state.

(g) Inventory owned by a dealer shall be assessed at the dealer's established place of business.

SECTION 14. IC 6-1.1-3-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 14. The ~~township~~ assessor shall:

(1) examine and verify; or

(2) allow a contractor under IC 6-1.1-36-12 to examine and verify;

the accuracy of each personal property return filed with the ~~township~~ assessor by a taxpayer. If appropriate, the assessor or contractor under IC 6-1.1-36-12 shall compare a return with the books of the taxpayer and with personal property owned, held, possessed, controlled, or occupied by the taxpayer.

SECTION 15. IC 6-1.1-3-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 15. (a) In connection with the activities required by section 14 of this chapter, or if a person owning, holding, possessing, or controlling any personal property fails to file a personal property return with the ~~township~~ assessor as required by this chapter, the ~~township~~ assessor may examine:

(1) the personal property of the person;

(2) the books and records of the person; and

(3) under oath, the person or any other person whom the assessor believes has knowledge of the amount, identity, or value of the personal property reported or not reported by the person on a return.

(b) After such an examination, the assessor shall assess the personal property to the person owning, holding, possessing, or controlling that property.

(c) As an alternative to such an examination, the ~~township~~ assessor may estimate the value of the personal property of the taxpayer and shall assess the person owning, holding, possessing, or controlling the property in an amount based upon the estimate. Upon receiving a notification of estimated value from the ~~township~~ assessor, the taxpayer may elect to file a personal property return, subject to the penalties imposed by IC 6-1.1-37-7.

SECTION 16. IC 6-1.1-3-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 16. If, from the evidence before ~~him, a township~~ **an assessor, the** assessor determines that a person has temporarily converted any part of ~~his~~ **the person's** personal property into property which is not taxable under this article to avoid the payment of taxes on the converted property, the ~~township~~ assessor shall assess the converted property to the taxpayer.

SECTION 17. IC 6-1.1-3-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 21. ~~(a)~~ Subject to the limitations ~~contained~~ in IC 6-1.1-35-9, assessment returns, lists, and any other documents and information related to the determination of personal property assessments shall be preserved as public records and open to public inspection. **Except as provided in subsection (b),** the ~~township~~ assessor shall preserve and maintain these records. ~~if quarters for his office are provided in the county court house, or a branch thereof.~~

(b) If quarters are not provided for ~~the~~ **a** township assessor, ~~he shall, as soon as he completes his~~ **the township assessor shall, upon completion of the** audit of a return, deliver the return and all related documents and information to the county assessor, and the county assessor shall maintain and preserve the items. The township assessor shall ensure that the county assessor has full access to the assessment records maintained by the township assessor.

~~(b)~~ **(c)** Each county shall furnish an office for a township assessor in the county courthouse, or a branch thereof, if the township ~~he~~ **the township assessor** serves has a population of thirty-five thousand (35,000) or more. A county may furnish an office in the county courthouse, or branch thereof, for any township assessor.

SECTION 18. IC 6-1.1-4-4, AS AMENDED BY P.L.228-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 4. (a) A general reassessment, involving a physical inspection of all real property in Indiana, shall begin July 1, 2000, and be the basis for taxes payable in 2003.

(b) A general reassessment, involving a physical inspection of all real property in Indiana, shall begin July 1, 2009, and each fifth year thereafter. Each reassessment under this subsection:

(1) shall be completed on or before March 1, of the year that succeeds by two (2) years the year in which the general

reassessment begins; and

(2) shall be the basis for taxes payable in the year following the year in which the general assessment is to be completed.

(c) In order to ensure that assessing officials ~~and members of each county property tax assessment board of appeals~~ are prepared for a general reassessment of real property, the department of local government finance shall give adequate advance notice of the general reassessment to the ~~county and township taxing~~ **assessing** officials of each county.

SECTION 19. IC 6-1.1-4-4.7, AS ADDED BY P.L.228-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 4.7. ~~(a) For purposes of this section, "assessor" means:~~

~~(1) a township assessor; or~~

~~(2) a county assessor who assumes the responsibility for verifying sales under 50 IAC 21-3-2(b).~~

~~(b)~~ The department of local government finance shall provide training to assessors and county auditors with respect to the verification of sales disclosure forms under 50 IAC 21-3-2.

SECTION 20. IC 6-1.1-4-12.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 12.4. (a) For purposes of this section, the term "oil or gas interest" includes but is not limited to:

(1) royalties;

(2) overriding royalties;

(3) mineral rights; or

(4) working interest; in any oil or gas located on or beneath the surface of land which lies within this state.

(b) Oil or gas interest is subject to assessment and taxation as real property. Notwithstanding ~~the provisions of IC 1971, 6-1.1-4-4,~~ **section 4 of this chapter,** each oil or gas interest shall be assessed annually by the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the oil or gas is located. The ~~township~~ assessor shall assess the oil or gas interest to the person who owns or operates the interest.

(c) A piece of equipment is an appurtenance to land if it is incident to and necessary for the production of oil and gas from the land covered by the oil or gas interest. This equipment includes but is not limited to wells, pumping units, lines, treaters, separators, tanks, and secondary

recovery facilities. These appurtenances are subject to ~~assesment~~ **assessment** as real property. Notwithstanding ~~the provisions of IC 1971, 6-1.1-4-4,~~ **section 4 of this chapter,** each of these appurtenances shall be assessed annually by the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the appurtenance is located. The ~~township~~ assessor shall assess the appurtenance to the person who owns or operates the working interest in the oil or gas interest.

SECTION 21. IC 6-1.1-4-12.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 12.6. (a) For purposes of this section, the term "secondary recovery method" includes but is not limited to the stimulation of oil production by means of the injection of water, steam, hydrocarbons, or chemicals, or by means of in situ combustion.

(b) The total assessed value of all interests in the oil located on or beneath the surface of a particular tract of land equals the product of:

(1) the average daily production of the oil; multiplied by

(2) three hundred sixty-five (365); and multiplied by

(3) the posted price of oil on the assessment date.

However, if the oil is being extracted by use of a secondary recovery method, the total assessed value of all interests in the oil equals one-half (1/2) the assessed value computed under the formula prescribed in this subsection. The ~~appropriate township~~ assessor shall, in the manner prescribed by the department of local government finance, apportion the total assessed value of all interests in the oil among the owners of those interests.

(c) The ~~appropriate township~~ assessor shall, in the manner prescribed by the department of local government finance, determine and apportion the total assessed value of all interests in the gas located beneath the surface of a particular tract of land.

(d) The department of local government finance shall prescribe a schedule for ~~township~~ assessors to use in assessing the appurtenances described in section 12.4 (c) of this chapter.

SECTION 22. IC 6-1.1-4-13.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 13.6. (a) The ~~township~~ assessor shall determine the values of all classes of commercial, industrial, and residential land (including farm homesites) in the ~~township~~ **area served by the assessor,** using guidelines determined by the department of local government finance. Not later

than November 1 of the year preceding the year in which a general reassessment becomes effective, the assessor determining the values of land shall submit the values to the county property tax assessment board of appeals. Not later than December 1 of the year preceding the year in which a general reassessment becomes effective, the county property tax assessment board of appeals shall hold a public hearing in the county concerning those values. The property tax assessment board of appeals shall give notice of the hearing in accordance with IC 5-3-1 and shall hold the hearing after March 31 and before December 1 of the year preceding the year in which the general reassessment under ~~IC 6-1.1-4-4~~ **section 4 of this chapter** becomes effective.

(b) The county property tax assessment board of appeals shall review the values submitted under subsection (a) and may make any modifications it considers necessary to provide uniformity and equality. The county property tax assessment board of appeals shall coordinate the valuation of property adjacent to the boundaries of the county with the county property tax assessment boards of appeals of the adjacent counties using the procedures adopted by rule under IC 4-22-2 by the department of local government finance. If the county assessor ~~or township assessor~~ fails to submit land values under subsection (a) to the county property tax assessment board of appeals before November 1 of the year before the date the general reassessment under ~~IC 6-1.1-4-4~~ **section 4 of this chapter** becomes effective, the county property tax assessment board of appeals shall determine the values. If the county property tax assessment board of appeals fails to determine the values before the general reassessment becomes effective, the department of local government finance shall determine the values.

(c) The county assessor shall notify all township assessors in the county of the values as modified by the county property tax assessment board of appeals. ~~Township~~ Assessors shall use the values determined under this section.

SECTION 23. IC 6-1.1-4-13.8, AS AMENDED BY P.L.228-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 13.8. (a) As used in this section, "commission" refers to a county land valuation commission established under subsection (b).

(b) Subject to ~~subsection~~ **subsections** (l) **and (m),** a county land valuation commission is established in each county for the purpose of

determining the value of commercial, industrial, and residential land (including farm homesites) in the county.

(c) The county assessor is chairperson of the commission.

(d) The following are members of the commission:

(1) The county assessor. The county assessor shall cast a vote only to break a tie.

(2) Each township assessor, when the respective township land values for that township assessor's township are under consideration. A township assessor serving under this subdivision shall vote on all matters relating to the land values of that township assessor's township.

~~(3) One (1) township assessor from the county to be appointed by a majority vote of all the township assessors in the county.~~

~~(4)~~ **(3)** One (1) county resident who:

(A) holds a license under IC 25-34.1-3 as a salesperson or broker; and

(B) is appointed by:

(i) the board of commissioners (as defined in IC 36-3-3-10) for a county having a consolidated city; or

(ii) the county executive (as defined in IC 36-1-2-5) for a county not described in item (i).

~~(5)~~ **(4)** Four (4) individuals who:

(A) are appointed by the county executive (as defined in IC 36-1-2-5); and

(B) represent one (1) of the following four (4) kinds of land in the county:

(i) Agricultural.

(ii) Commercial.

(iii) Industrial.

(iv) Residential.

Each of the four (4) kinds of land in the county must be represented by one (1) individual appointed under this subdivision.

~~(6)~~ **(5)** One (1) individual who:

(A) represents financial institutions in the county; and

(B) is appointed by:

(i) the board of commissioners (as defined in IC 36-3-3-10) for a county having a consolidated city; or

(ii) the county executive (as defined in IC 36-1-2-5) for a county not described in item (i).

(e) The term of each member of the commission begins November 1 of the year that precedes by two (2) years the year in which a general reassessment begins under ~~IC 6-1.1-4-4,~~ **section 4 of this chapter,** and ends January 1 of the year in which the general reassessment begins under ~~IC 6-1.1-4-4.~~ **section 4 of this chapter.** The appointing authority may fill a vacancy for the remainder of the vacated term.

(f) The commission shall determine the values of all classes of commercial, industrial, and residential land (including farm homesites) in the county using guidelines determined by the department of local government finance. Not later than November 1 of the year preceding the year in which a general reassessment begins, the commission determining the values of land shall submit the values, all data supporting the values, and all information required under rules of the department of local government finance relating to the determination of land values to the county property tax assessment board of appeals and the department of local government finance. Not later than January 1 of the year in which a general reassessment begins, the county property tax assessment board of appeals shall hold a public hearing in the county concerning those values. The property tax assessment board of appeals shall give notice of the hearing in accordance with IC 5-3-1 and shall hold the hearing after March 31 of the year preceding the year in which the general reassessment begins and before January 1 of the year in which the general reassessment under ~~IC 6-1.1-4-4~~ **section 4 of this chapter** begins.

(g) The county property tax assessment board of appeals shall review the values, data, and information submitted under subsection (f) and may make any modifications it considers necessary to provide uniformity and equality. The county property tax assessment board of appeals shall coordinate the valuation of property adjacent to the boundaries of the county with the county property tax assessment boards of appeals of the adjacent counties using the procedures adopted by rule under IC 4-22-2 by the department of local government finance. If the commission fails to submit land values under subsection (f) to the county property tax assessment board of appeals before January 1 of the year the general reassessment under ~~IC 6-1.1-4-4~~ **section 4 of this chapter** begins, the county property tax assessment board of appeals

shall determine the values.

(h) The county property tax assessment board of appeals shall give notice to the county and township assessors of its decision on the values. The notice must be given before March 1 of the year the general reassessment under ~~IC 6-1.1-4-4~~ **section 4 of this chapter** begins. Not later than twenty (20) days after that notice, the county assessor or a township assessor in the county may request that the county property tax assessment board of appeals reconsider the values. The county property tax assessment board of appeals shall hold a hearing on the reconsideration in the county. The county property tax assessment board of appeals shall give notice of the hearing under IC 5-3-1.

(i) Not later than twenty (20) days after notice to the county and township assessor is given under subsection (h), a taxpayer may request that the county property tax assessment board of appeals reconsider the values. The county property tax assessment board of appeals may hold a hearing on the reconsideration in the county. The county property tax assessment board of appeals shall give notice of the hearing under IC 5-3-1.

(j) A taxpayer may appeal the value determined under this section as applied to the taxpayer's land as part of an appeal filed under IC 6-1.1-15 after the taxpayer has received a notice of assessment. If a taxpayer that files an appeal under IC 6-1.1-15 requests the values, data, or information received by the county property tax assessment board of appeals under subsection (f), the county property tax assessment board of appeals shall satisfy the request. The department of local government finance may modify the taxpayer's land value and the value of any other land in the township, the county where the taxpayer's land is located, or the adjacent county if the department of local government finance determines it is necessary to provide uniformity and equality.

(k) The county assessor shall notify all township assessors in the county of the values as determined by the commission and as modified by the county property tax assessment board of appeals or department of local government finance under this section. ~~Township~~ Assessors shall use the values determined under this section.

(l) **Subject to subsection (m),** after notice to the county assessor and all township assessors in the county, a majority of the assessors authorized to vote under this subsection may vote to abolish the county

land valuation commission established under subsection (b). Each township assessor and the county assessor has one (1) vote.

(m) In a county in which there are no township assessors, the county assessor may determine to abolish the county land valuation commission established under subsection (b).

(n) The county assessor shall give written notice to:

(1) each member of the county land valuation commission; and

(2) each township assessor in the county, **if applicable;**

of the abolishment of the commission under ~~this~~ subsection **(l) or (m).**

SECTION 24. IC 6-1.1-4-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 15. (a) If real property is subject to assessment or reassessment under this chapter, the assessor ~~of the township in which the property is located~~ shall either appraise the property ~~himself~~ or have it appraised.

(b) In order to determine the assessed value of buildings and other improvements, the ~~township~~ assessor or ~~his~~ **the assessor's** authorized representative may, after first making known ~~his~~ **the assessor's or representative's** intention to the owner or occupant, enter and fully examine all buildings and structures which are located within the ~~township he~~ **area the assessor** serves and which are subject to assessment.

SECTION 25. IC 6-1.1-4-16, AS AMENDED BY P.L.228-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 16. (a) For purposes of making a general reassessment of real property or annual adjustments under section 4.5 of this chapter, any ~~township~~ assessor ~~and any county assessor~~ may employ:

(1) deputies;

(2) employees; and

(3) technical advisors who are:

(A) qualified to determine real property values;

(B) professional appraisers certified under 50 IAC 15; and

(C) employed either on a full-time or a part-time basis, subject to sections 18.5 and 19.5 of this chapter.

(b) The county council of each county shall appropriate the funds necessary for the employment of deputies, employees, or technical advisors employed under subsection (a) of this section.

SECTION 26. IC 6-1.1-4-17, AS AMENDED BY P.L.228-2005,

SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 17. (a) Subject to the approval of the department of local government finance and the requirements of section 18.5 of this chapter, a:

(1) township assessor; ~~or~~

(2) group consisting of the county assessor and the township assessors in a county; **or**

(3) county assessor in a county in which there are no township assessors;

may employ professional appraisers as technical advisors. A decision ~~by one (1) or more assessors referred to in subdivisions (1) and (2)~~ **under this subsection** to not employ a professional appraiser as a technical advisor in a general reassessment is subject to approval by the department of local government finance.

(b) After notice to the county assessor and all township assessors in the county, a majority of the assessors authorized to vote under this subsection may vote to:

(1) employ a professional appraiser to act as a technical advisor in the county during a general reassessment period;

(2) appoint an assessor or a group of assessors to:

(A) enter into and administer the contract with a professional appraiser employed under this section; and

(B) oversee the work of a professional appraiser employed under this section.

Each township assessor and the county assessor has one (1) vote. A decision by a majority of the persons authorized to vote is binding on the county assessor and all township assessors in the county. Subject to the limitations in section 18.5 of this chapter, the assessor or assessors appointed under subdivision (2) may contract with a professional appraiser employed under this section to supply technical advice during a general reassessment period for all townships in the county. A proportionate part of the appropriation to all townships for assessing purposes shall be used to pay for the technical advice.

(c) As used in this chapter, "professional appraiser" means an individual or firm that is certified under IC 6-1.1-31.7.

SECTION 27. IC 6-1.1-4-19.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 19.5. (a) The department of local government finance shall develop a standard

contract or standard provisions for contracts to be used in securing professional appraising services.

(b) The standard contract or contract provisions must contain:

(1) a fixed date by which the professional appraiser or appraisal firm shall have completed all responsibilities under the contract;

(2) a penalty clause under which the amount to be paid for appraisal services is decreased for failure to complete specified services within the specified time;

(3) a provision requiring the appraiser, or appraisal firm, to make periodic reports to the ~~township~~ assessors involved;

(4) a provision stipulating the manner in which, and the time intervals at which, the periodic reports referred to in subdivision (3) of this subsection are to be made;

(5) a precise stipulation of what service or services are to be provided and what class or classes of property are to be appraised;

(6) a provision stipulating that the contractor will generate complete parcel characteristics and parcel assessment data in a manner and format acceptable to the legislative services agency and the department of local government finance; and

(7) a provision stipulating that the legislative services agency and the department of local government finance have unrestricted access to the contractor's work product under the contract.

The department of local government finance may devise other necessary provisions for the contracts in order to give effect to ~~the provisions of~~ this chapter.

(c) In order to comply with the duties assigned to it by this section, the department of local government finance may develop:

(1) one (1) or more model contracts;

(2) one (1) contract with alternate provisions; or

(3) any combination of subdivisions (1) and (2).

The department may approve special contract language in order to meet any unusual situations.

SECTION 28. IC 6-1.1-4-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 20. The department of local government finance may establish a period with respect to each general reassessment that is the only time during which ~~a township or county~~ **an** assessor may enter into a contract with a professional appraiser. The period set by the department of local

government finance may not begin before January 1 of the year the general reassessment begins. If no period is established by the department of local government finance, ~~a township or county~~ **an** assessor may enter into such a contract only on or after January 1 and before April 16 of the year in which the general reassessment is to commence.

SECTION 29. IC 6-1.1-4-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 21. (a) If, during a period of general reassessment, ~~a township~~ **an** assessor **personally** makes the real property appraisals, ~~himself,~~ the appraisals of the parcels subject to taxation must be completed as follows:

(1) The appraisal of one-fourth (1/4) of the parcels shall be completed before December 1 of the year in which the general reassessment begins.

(2) The appraisal of one-half (1/2) of the parcels shall be completed before May 1 of the year following the year in which the general reassessment begins.

(3) The appraisal of three-fourths (3/4) of the parcels shall be completed before October 1 of the year following the year in which the general reassessment begins.

(4) The appraisal of all the parcels shall be completed before March 1 of the second year following the year in which the general reassessment begins.

(b) If ~~a township~~ **an** assessor employs a professional appraiser or a professional appraisal firm to make real property appraisals during a period of general reassessment, the professional appraiser or appraisal firm must file appraisal reports with the ~~township~~ assessor as follows:

(1) The appraisals for one-fourth (1/4) of the parcels shall be reported before December 1 of the year in which the general reassessment begins.

(2) The appraisals for one-half (1/2) of the parcels shall be reported before May 1 of the year following the year in which the general reassessment begins.

(3) The appraisals for three-fourths (3/4) of the parcels shall be reported before October 1 of the year following the year in which the general reassessment begins.

(4) The appraisals for all the parcels shall be reported before March 1 of the second year following the year in which the

general reassessment begins.

However, the reporting requirements prescribed in this subsection do not apply if the contract under which the professional appraiser, or appraisal firm, is employed prescribes different reporting procedures.

SECTION 30. IC 6-1.1-4-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 22. (a) If any assessing official ~~or any county property tax assessment board of appeals~~ assesses or reassesses any real property under ~~the provisions of~~ this article, the official ~~or county property tax assessment board of appeals~~ shall give notice to the taxpayer and the county assessor, by mail, of the amount of the assessment or reassessment.

(b) During a period of general reassessment, each ~~township~~ assessor shall mail the notice required by this section within ninety (90) days after ~~he:~~ **the assessor:**

(1) completes ~~his~~ **the** appraisal of a parcel; or

(2) receives a report for a parcel from a professional appraiser or professional appraisal firm.

SECTION 31. IC 6-1.1-4-25, AS AMENDED BY P.L.177-2005, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 25. (a) Each ~~township~~ assessor shall keep the assessor's reassessment data and records current by securing the necessary field data and by making changes in the assessed value of real property as changes occur in the use of the real property. The ~~township~~ assessor's records shall at all times show the assessed value of real property in accordance with ~~the provisions of~~ this chapter. ~~The~~ **A** township assessor shall ensure that the county assessor has full access to the assessment records maintained by the township assessor.

(b) The township assessor in a county having a consolidated city, or the county assessor in every other county, shall:

(1) maintain an electronic data file of:

(A) the parcel characteristics and parcel assessments of all parcels; and

(B) the personal property return characteristics and assessments by return;

for each township in the county as of each assessment date;

(2) maintain the electronic file in a form that formats the information in the file with the standard data, field, and record

coding required and approved by:

(A) the legislative services agency; and

(B) the department of local government finance;

(3) transmit the data in the file with respect to the assessment date of each year before October 1 of the year to:

(A) the legislative services agency; and

(B) the department of local government finance;

in a manner that meets the data export and transmission requirements in a standard format, as prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency; and

(4) resubmit the data in the form and manner required under this subsection, upon request of the legislative services agency or the department of local government finance, if data previously submitted under this subsection does not comply with the requirements of this subsection, as determined by the legislative services agency or the department of local government finance.

An electronic data file maintained for a particular assessment date may not be overwritten with data for a subsequent assessment date until a copy of an electronic data file that preserves the data for the particular assessment date is archived in the manner prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency.

SECTION 32. IC 6-1.1-4-28.5, AS AMENDED BY P.L.88-2005, SECTION 7, AND AS AMENDED BY P.L.228-2005, SECTION 10, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 28.5. (a) Money assigned to a property reassessment fund under section 27.5 of this chapter may be used only to pay the costs of:

(1) the general reassessment of real property, including the computerization of assessment records;

(2) payments to county assessors, ~~members of property tax assessment boards of appeals, or~~ assessing officials, **and hearing officers for county property tax assessment boards of appeals** under IC 6-1.1-35.2;

(3) the development or updating of detailed soil survey data by the United States Department of Agriculture or its successor agency;

(4) the updating of plat books; ~~*and*~~

(5) payments for the salary of permanent staff or for the contractual services of temporary staff who are necessary to assist county assessors ~~members of a county property tax assessment board of appeals,~~ and assessing officials;

(6) making annual adjustments under section 4.5 of this chapter; and

(7) the verification under 50 IAC 21-3-2 of sales disclosure forms forwarded to the county assessor under IC 6-1.1-5.5-3.

(b) All counties shall use modern, detailed soil maps in the general reassessment of agricultural land.

(c) The county treasurer of each county shall, in accordance with IC 5-13-9, invest any money accumulated in the property reassessment fund. ~~*until the money is needed to pay general reassessment expenses.*~~ Any interest received from investment of the money shall be paid into the property reassessment fund.

~~*(d) An appropriation under this section must be approved by the fiscal body of the county after the review and recommendation of the county assessor. However, in a county with an elected township assessor in every township, the county assessor does not review an appropriation under this section, and only the fiscal body must approve an appropriation under this section.*~~

SECTION 33. IC 6-1.1-4-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 29. (a) The expenses of a reassessment, except those incurred by the department of local government finance in performing its normal functions, shall be paid by the county in which the reassessed property is situated. These expenses, except for the expenses of a general reassessment, shall be paid from county funds. The county auditor shall issue warrants for the payment of reassessment expenses. No prior appropriations are required in order for the auditor to issue warrants.

(b) An order of the department of local government finance directing the reassessment of property shall contain an estimate of the cost of making the reassessment. The ~~local~~ assessing officials **in** the county, ~~assessor,~~ the county property tax assessment board of appeals, and the county auditor may not exceed the amount so estimated by the department of local government finance.

SECTION 34. IC 6-1.1-4-31.7, AS ADDED BY P.L.228-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE JANUARY 1, 2008]: Sec. 31.7. (a) As used in this section, "special master" refers to a person designated by the Indiana board under subsection (e).

(b) The notice of assessment or reassessment under section 31.5(h) of this chapter is subject to appeal by the taxpayer to the Indiana board. The procedures and time limitations that apply to an appeal to the Indiana board of a determination of the department of local government finance do not apply to an appeal under this subsection. The Indiana board may establish applicable procedures and time limitations under subsection (l).

(c) In order to appeal under subsection (b), the taxpayer must:

(1) participate in the informal hearing process under section 31.6 of this chapter;

(2) except as provided in section 31.6(i) of this chapter, receive a notice under section 31.6(g) of this chapter; and

(3) file a petition for review with the appropriate county assessor not later than thirty (30) days after:

(A) the date of the notice to the taxpayer under section 31.6(g) of this chapter; or

(B) the date after which the department may not change the amount of the assessment or reassessment under the informal hearing process described in section 31.6 of this chapter.

(d) The Indiana board may develop a form for petitions under subsection (c) that outlines:

(1) the appeal process;

(2) the burden of proof; and

(3) evidence necessary to warrant a change to an assessment or reassessment.

(e) The Indiana board may contract with, appoint, or otherwise designate the following to serve as special masters to conduct evidentiary hearings and prepare reports required under subsection (g):

(1) Independent, licensed appraisers.

(2) Attorneys.

(3) Certified level two Indiana assessor-appraisers (including administrative law judges employed by the Indiana board).

(4) Other qualified individuals.

(f) Each contract entered into under subsection (e) must specify the appointee's compensation and entitlement to reimbursement for

expenses. The compensation and reimbursement for expenses are paid from the county property reassessment fund.

(g) With respect to each petition for review filed under subsection (c), the special masters shall:

(1) set a hearing date;

(2) give notice of the hearing at least thirty (30) days before the hearing date, by mail, to:

(A) the taxpayer;

(B) the department of local government finance; **and**

~~(C) the township assessor; and~~

~~(D)~~ **(C)** the ~~county~~ assessor;

(3) conduct a hearing and hear all evidence submitted under this section; and

(4) make evidentiary findings and file a report with the Indiana board.

(h) At the hearing under subsection (g):

(1) the taxpayer shall present:

(A) the taxpayer's evidence that the assessment or reassessment is incorrect;

(B) the method by which the taxpayer contends the assessment or reassessment should be correctly determined; and

(C) comparable sales, appraisals, or other pertinent information concerning valuation as required by the Indiana board; and

(2) the department of local government finance shall present its evidence that the assessment or reassessment is correct.

(i) The Indiana board may dismiss a petition for review filed under subsection (c) if the evidence and other information required under subsection (h)(1) is not provided at the hearing under subsection (g).

(j) The ~~township assessor and the county~~ assessor may attend and participate in the hearing under subsection (g).

(k) The Indiana board may:

(1) consider the report of the special masters under subsection (g)(4);

(2) make a final determination based on the findings of the special masters without:

(A) conducting a hearing; or

(B) any further proceedings; and

(3) incorporate the findings of the special masters into the board's

findings in resolution of the appeal.

(l) The Indiana board may adopt rules under IC 4-22-2-37.1 to:

(1) establish procedures to expedite:

(A) the conduct of hearings under subsection (g); and

(B) the issuance of determinations of appeals under subsection (k); and

(2) establish deadlines:

(A) for conducting hearings under subsection (g); and

(B) for issuing determinations of appeals under subsection (k).

(m) A determination by the Indiana board of an appeal under subsection (k) is subject to appeal to the tax court under IC 6-1.1-15.

SECTION 35. IC 6-1.1-4-39, AS AMENDED BY P.L.199-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 39. (a) For assessment dates after February 28, 2005, except as provided in subsections (c) and (e), the true tax value of real property regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more and that has more than four (4) rental units is the lowest valuation determined by applying each of the following appraisal approaches:

(1) Cost approach that includes an estimated reproduction or replacement cost of buildings and land improvements as of the date of valuation together with estimates of the losses in value that have taken place due to wear and tear, design and plan, or neighborhood influences.

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

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

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

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

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

(c) ~~A township~~ **An** assessor is not required to appraise real property referred to in subsection (a) using the three (3) appraisal approaches listed in subsection (a) if the ~~township~~ assessor and the taxpayer agree

before notice of the assessment is given to the taxpayer under section 22 of this chapter to the determination of the true tax value of the property by the assessor using one (1) of those appraisal approaches.

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

(e) The true tax value of low income rental property (as defined in section 41 of this chapter) is not determined under subsection (a). The assessment method prescribed in section 41 of this chapter is the exclusive method for assessment of that property. This subsection does not impede any rights to appeal an assessment.

SECTION 36. IC 6-1.1-5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) A person to whom the title to real property has passed, either under the laws of descent of this state or by virtue of the last will of a decedent, may procure a transfer of the real property on the tax duplicate on which the real property is assessed and taxed. In order to procure the transfer, the person must prepare an affidavit and, except as provided in section 9 of this chapter, file it with the auditor of the county in which the real property is situated. The affidavit shall contain the following information:

(1) The decedent's date of death.

(2) Whether the decedent died testate or intestate. ~~and~~

(3) The affiant's interest in the real property.

(4) If the real property is residential property, the amount of any taxes that have been deferred under IC 6-1.1-46.

In addition, if the decedent died testate, the affiant must attach a certified copy of the decedent's will to the affidavit. However, if the will has been probated or recorded in the county in which the real property is located, the affiant, in lieu of attaching a certified copy of the will, shall state that fact in the affidavit and indicate the volume and page of the record where the will may be found.

(b) Except as provided in section 9 of this chapter, the county auditor shall enter a transfer of the real property in the proper transfer book after the affidavit is filed with ~~his~~ **the county auditor's** office.

(c) No transfer made under this section has the effect of conferring title upon the person procuring the transfer.

(d) Before the county auditor may transfer real property described in subsection (a) on the last assessment list or apportion the assessed value of the real property among the owners, the owner must pay or otherwise satisfy all taxes on the parcels being transferred that have become due under IC 6-1.1-46 as a result of the death of the person by paying the property tax to the county treasurer of the county in which the real property is located.

(e) If a county auditor, in violation of subsection (d), transfers real property in the proper transfer book before all taxes due are satisfied:

(1) a lien for and the duty to pay property taxes that are due and owing are not released or otherwise extinguished; and

(2) property taxes that are due and owing on the affected parcel of property may be collected as if the county auditor had not transferred the property in the proper transfer book in violation of subsection (d).

SECTION 37. IC 6-1.1-5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 8. Except as provided in section 9 of this chapter, the county auditor of each county shall annually prepare and deliver to the ~~township~~ assessor a list of all real property entered in the ~~township~~ **area served by the assessor** as of the assessment date. The county auditor shall deliver the list within thirty (30) days after the assessment date. The county auditor shall prepare the list in the form prescribed or approved by the department of local government finance.

SECTION 38. IC 6-1.1-5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 10. If ~~a township~~ **an** assessor believes that it is necessary to obtain an accurate description of a specific lot or tract, ~~which is situated in the township he serves,~~ the assessor may demand in writing that the owner or occupant of the lot or tract deliver all the title papers in ~~his~~ **the owner's or occupant's** possession to the assessor for ~~his~~ **the assessor's** examination. If the person fails to deliver the title papers to the assessor at ~~his~~ **the assessor's** office within five (5) days after the demand is mailed, the assessor shall prepare the real property list according to the best information ~~he~~ **the assessor** can obtain. For that purpose, the

assessor may examine, under oath, any person whom ~~he~~ **the assessor** believes has any knowledge relevant to the issue.

SECTION 39. IC 6-1.1-5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 11. (a) In order to determine the quantity of land contained within a tract, an assessor shall follow the rules contained in this section.

(b) Except as provided in subsection (c), ~~of this section,~~ the assessor shall recognize the quantity of land stated in a deed or patent if the owner or person in whose name the property is listed holds the land by virtue of:

(1) a deed from another party or from this state; or

(2) a patent from the United States.

(c) If land described in subsection (b) ~~of this section~~ has been surveyed subsequent to the survey made by the United States and if the ~~township~~ assessor is satisfied that the tract contains a different quantity of land than is stated in the patent or deed, the assessor shall recognize the quantity of land stated in the subsequent survey.

(d) Except as provided in ~~subsection (e), of this section,~~ **subsection (f),** ~~a township~~ **an** assessor shall demand in writing that the owner of a tract, or person in whose name the land is listed, have the tract surveyed and that ~~he~~ **the owner** return a sworn certificate from the surveyor stating the quantity of land contained in the tract if:

(1) the land was within the French or Clark's grant; and

(2) the party holds the land under original entry or survey.

(e) If the party fails to return the certificate within thirty (30) days after the demand is mailed the assessor shall have a surveyor survey the land. The expenses of a survey made under this subsection shall be paid for from the county treasury. However, the county auditor shall charge the survey expenses against the land, and the expenses shall be collected with the taxes payable in the succeeding year.

~~(e) A township~~ **(f) An** assessor shall not demand a survey of land described in subsection (d) ~~of this section~~ if:

(1) the owner or holder of the land has previously had it surveyed and presents to the assessor a survey certificate which states the quantity of land; or

(2) the assessor is satisfied from other competent evidence, given under oath or affirmation, that the quantity of land stated in the original survey is correct.

SECTION 40. IC 6-1.1-5-14, AS AMENDED BY P.L.88-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 14. Not later than May 15, each ~~assessing official~~ **township assessor** shall prepare and deliver to the county assessor a detailed list of the real property listed for taxation in the township. On or before July 1 of each year, each county assessor shall, under oath, prepare and deliver to the county auditor a detailed list of the real property listed for taxation in the county. In a county with ~~an elected~~ **a** township assessor in every township the township assessor shall prepare the real property list. The ~~assessing officials~~ **township assessors** and the county assessor shall prepare the list in the form prescribed by the department of local government finance. The township assessor shall ensure that the county assessor has full access to the assessment records maintained by the township assessor.

SECTION 41. IC 6-1.1-5-15, AS AMENDED BY P.L.228-2005, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 15. (a) Except as provided in subsection (b), before an owner of real property demolishes, structurally modifies, or improves it at a cost of more than five hundred dollars ($500) for materials or labor, or both, the owner or the owner's agent shall file with the area plan commission or the county assessor in the county where the property is located an assessment registration notice on a form prescribed by the department of local government finance.

(b) If the owner of the real property, or the person performing the work for the owner, is required to obtain a permit from an agency or official of the state or a political subdivision for the demolition, structural modification, or improvement, the owner or the person performing the work for the owner is not required to file an assessment registration notice.

(c) Each state or local government official or agency shall, before the tenth day of each month, deliver a copy of each permit described in subsection (b) to the assessor of the county in which the real property to be improved is situated. Each area plan commission shall, before the tenth day of each month, deliver a copy of each assessment registration notice described in subsection (a) to the assessor of the county where the property is located.

(d) Before the last day of each month, the county assessor shall

distribute a copy of each assessment registration notice filed under subsection (a) or permit received under subsection (b) to the **township** assessor of ~~the~~ **a** township in which the real property to be demolished, modified, or improved is situated.

(e) A fee of five dollars ($5) shall be charged by the area plan commission or the county assessor for the filing of the assessment registration notice. All fees collected under this subsection shall be deposited in the county property reassessment fund.

(f) ~~A township or county~~ **An** assessor shall immediately notify the county treasurer if the assessor discovers property that has been improved or structurally modified at a cost of more than five hundred dollars ($500) and the owner of the property has failed to obtain the required building permit or to file an assessment registration notice.

(g) Any person who fails to:

(1) file the registration notice required by subsection (a); or

(2) obtain a building permit described in subsection (b);

before demolishing, structurally modifying, or improving real property is subject to a civil penalty of one hundred dollars ($100). The county treasurer shall include the penalty on the person's property tax statement and collect it in the same manner as delinquent personal property taxes under IC 6-1.1-23. However, if a person files a late registration notice, the person shall pay the fee, if any, and the penalty to the area plan commission or the county assessor at the time the person files the late registration notice.

SECTION 42. IC 6-1.1-5.5-5, AS AMENDED BY P.L.228-2005, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The department of local government finance shall prescribe a sales disclosure form for use under this chapter. The form prescribed by the department of local government finance must include at least the following information:

(1) The key number of the parcel (as defined in IC 6-1.1-1-8.5).

(2) Whether the entire parcel is being conveyed.

(3) The address of the property.

(4) The date of the execution of the form.

(5) The date the property was transferred.

(6) Whether the transfer includes an interest in land or improvements, or both.

(7) Whether the transfer includes personal property.

(8) An estimate of any personal property included in the transfer.

(9) The name, address, and telephone number of:

(A) each transferor and transferee; and

(B) the person that prepared the form.

(10) The mailing address to which the property tax bills or other official correspondence should be sent.

(11) The ownership interest transferred.

(12) The classification of the property (as residential, commercial, industrial, agricultural, vacant land, or other).

(13) The total price actually paid or required to be paid in exchange for the conveyance, whether in terms of money, property, a service, an agreement, or other consideration, but excluding tax payments and payments for legal and other services that are incidental to the conveyance.

(14) The terms of seller provided financing, such as interest rate, points, type of loan, amount of loan, and amortization period, and whether the borrower is personally liable for repayment of the loan.

(15) Any family or business relationship existing between the transferor and the transferee.

(16) If the transferred property is residential property, the amount of any taxes deferred under IC 6-1.1-46 and interest due on the deferred taxes.

~~(16)~~ **(17)** Other information as required by the department of local government finance to carry out this chapter.

If a form under this section includes the telephone number or the Social Security number of a party, the telephone number or the Social Security number is confidential.

SECTION 43. IC 6-1.1-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3. A person who permits a mobile home to be placed on any land which ~~he~~ **the person** owns, possesses, or controls shall report that fact to the assessor ~~of the township~~ **who serves the area** in which the land is located within ten (10) days after the mobile home is placed on the land. The ten (10) day period commences the day after the day that the mobile home is placed upon the land.

SECTION 44. IC 6-1.1-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 5. A mobile home

which is subject to taxation under this chapter shall be assessed by the assessor ~~of~~ **who serves** the ~~township within~~ **area in** which the place of assessment is located. ~~Each township~~ **The** assessor ~~of a county~~ shall certify the assessments of mobile homes to the county auditor in the same manner provided for the certification of personal property assessments. The ~~township~~ assessor shall make this certification on the forms prescribed by the department of local government finance.

SECTION 45. IC 6-1.1-8-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 23. Each year a public utility company shall file a statement with the assessor ~~of each township and county assessor of each county~~ **who serves the area** in which the company's property is located. The company shall file the statement on the form prescribed by the department of local government finance. The statement shall contain a description of the company's tangible personal property located in ~~the township.~~ **that area.**

SECTION 46. IC 6-1.1-8-24, AS AMENDED BY P.L.88-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 24. (a) Each year ~~a township~~ **the** assessor shall assess the fixed property which as of the assessment date of that year is:

(1) owned or used by a public utility company; and

(2) located in the ~~township~~ **area** the ~~township~~ assessor serves.

(b) The ~~township~~ assessor shall determine the assessed value of fixed property. ~~The~~ **A** township assessor **who determines assessed values under this subsection** shall certify the assessed values to the county assessor on or before April 1 of the year of assessment. However, in a county with ~~an elected~~ **a** township assessor in every township the township assessor shall certify the list to the department of local government finance. The county assessor shall:

(1) review the assessed values **certified to the county assessor under this subsection;** and ~~shall~~

(2) certify **all** the assessed values **the county assessor reviews or determines under this subsection** to the department of local government finance on or before April 10 of the year of assessment.

SECTION 47. IC 6-1.1-8-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 33. A public

utility company may appeal ~~a township~~ **an** assessor's assessment of fixed property in the same manner that it may appeal ~~a township~~ **an** assessor's assessment of tangible property under ~~IC 1971,~~ **IC** 6-1.1-15.

SECTION 48. IC 6-1.1-8-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 39. The annual assessments of a public utility company's property are presumed to include all the company's property which is subject to taxation under this chapter. However, this presumption does not preclude the subsequent assessment of a specific item of tangible property which is clearly shown to have been omitted from the assessments for that year. The ~~appropriate township~~ assessor shall make assessments of omitted fixed property. The department of local government finance shall make assessments of omitted distributable property. However, the department of local government finance may not assess omitted distributable property after the expiration of ten (10) years from the last day of the year in which the assessment should have been made.

SECTION 49. IC 6-1.1-8.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 7. (a) ~~The township~~ **Each** assessor ~~of each township~~ in a qualifying county shall notify the department of local government finance of a newly constructed industrial facility that is located in the ~~township~~ **area** served by the ~~township~~ assessor.

(b) Each building commissioner in a qualifying county shall notify the department of local government finance of a newly constructed industrial facility that is located in the jurisdiction served by the building commissioner.

(c) The department of local government finance shall schedule an assessment under this chapter of a newly constructed industrial facility within six (6) months after receiving notice of the construction from the ~~appropriate township~~ assessor or building commissioner.

SECTION 50. IC 6-1.1-10-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 10. (a) The owner of an industrial waste control facility who wishes to obtain the exemption provided in section 9 of this chapter shall file an exemption claim with the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the property is located when ~~he~~ **the owner** files ~~his~~ **the owner's** annual personal property return. The claim shall describe and state the assessed value of the property for which an exemption is claimed.

(b) The owner shall, by registered or certified mail, forward a copy of the exemption claim to the department of environmental management. The department shall acknowledge its receipt of the claim.

(c) The department of environmental management may investigate any claim. The department may also determine if the property for which the exemption is claimed is being utilized as an industrial waste control facility. Within one hundred twenty (120) days after a claim is mailed to the department, the department may certify its written determination to the ~~township~~ assessor with whom the claim was filed.

(d) The determination of the department remains in effect:

(1) as long as the owner owns the property and uses the property as an industrial waste control facility; or

(2) for five (5) years;

whichever is less. In addition, during the five (5) years after the department's determination the owner of the property must notify the ~~township~~ assessor and the department in writing if any of the property on which the department's determination was based is disposed of or removed from service as an industrial waste control facility.

(e) The department may revoke a determination if the department finds that the property is not predominantly used as an industrial waste control facility.

(f) The ~~township~~ assessor, in accord with the determination of the department, shall allow or deny in whole or in part each exemption claim. However, if the owner provides the assessor with proof that a copy of the claim has been mailed to the department, and if the department has not certified a determination to the assessor within one hundred twenty (120) days after the claim has been mailed to the department, the assessor shall allow the total exemption claimed by the owner.

(g) The assessor shall reduce the assessed value of the owner's personal property for the year for which an exemption is claimed by the amount of exemption allowed.

SECTION 51. IC 6-1.1-10-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 13. (a) The owner of personal property which is part of a stationary or unlicensed mobile air pollution control system who wishes to obtain the exemption provided in section 12 of this chapter shall claim the exemption on ~~his~~

the owner's annual personal property return which ~~he~~ **the owner** files with the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the property is located. On the return, the owner shall describe and state the assessed value of the property for which the exemption is claimed.

(b) The ~~township~~ assessor shall review the exemption claim and ~~he~~ shall allow or deny it in whole or in part. In making ~~his~~ **the** decision, the ~~township~~ assessor shall consider the requirements stated in section 12 of this chapter.

(c) The ~~township~~ assessor shall reduce the assessed value of the owner's personal property for the year for which the exemption is claimed by the amount of exemption allowed.

SECTION 52. IC 6-1.1-10-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 14. The action taken by ~~a township~~ **an** assessor on an exemption claim filed under section 10 or ~~section~~ 13 of this chapter shall be treated as an assessment of personal property. Thus, the assessor's action is subject to all the provisions of this article pertaining to notice, review, or appeal of personal property assessments.

SECTION 53. IC 6-1.1-10-31.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 31.7. (a) Subject to subsection (c), in order to claim a property tax exemption under section 31.4, 31.5, or 31.6 of this chapter, the owner or possessor of:

(1) a truck chassis under section 31.4 of this chapter;

(2) a passenger motor vehicle under section 31.5 of this chapter; or

(3) a school bus body or chassis under section 31.6 of this chapter;

must file a claim for an exemption at the same time that the taxpayer is required to file a personal property tax return.

(b) A claim for exemption under this section must be filed on a form:

(1) prescribed by the department of local government finance; and

(2) containing the following information:

(A) A description of the property claimed to be exempt in sufficient detail to afford identification of the property.

(B) A statement indicating the ownership and the possession of the property.

(C) The grounds for claiming the exemption.

(D) The full name and address of the applicant.

(E) Any additional information that the department of local

government finance may require that is:

(i) reasonably related to the exemption; and

(ii) necessary to determine the exemption.

(c) Notwithstanding subsection (b), an owner or a possessor may claim an exemption for a chassis or vehicle under this section without filing the form required under subsection (b) if:

(1) before March 1 the owner or possessor of the chassis or vehicle identifies the chassis or vehicle, by chassis or vehicle identification number, as a chassis or vehicle to be used to fulfill an order from an out-of-state dealer; and

(2) the owner or possessor of the chassis or vehicle submits with the owner's or possessor's personal property return a list that:

(A) gives the chassis or vehicle identification number of each chassis or vehicle claimed to be exempt under subdivision (1); and

(B) identifies the order from an out-of-state dealer that corresponds to each chassis or vehicle listed.

(d) If, upon the request of ~~the local~~ **an** assessing official, a county assessor, ~~a member of the county property tax assessment board of appeals,~~ or the department of local government finance the owner or possessor is unable to verify that the chassis or vehicle was used to fulfill the identified order, an exemption claimed under subsection (c) shall be denied.

SECTION 54. IC 6-1.1-10.1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 11. (a) A high impact business that desires to obtain the property tax credit provided by section 10 of this chapter must file a certified credit application, on forms prescribed by the department of local government finance, with the auditor of the county in which the inventory is located. The credit application must be filed on or before May 15 each year. If the high impact business obtains a filing extension under IC 6-1.1-3-7(b) for any year, the application for the year must be filed by the extended due date for that year.

(b) The property tax credit application required by this section must contain the following information:

(1) The name of the high impact business owning the inventory.

(2) A description of the inventory for which a property tax credit is claimed in sufficient detail to afford identification.

(3) The assessed value of the inventory subject to the property tax credit.

(4) Any other information considered necessary by the department of local government finance.

(c) On verification of the correctness of a property tax credit application by the ~~assessors of~~ **assessor who serves** the ~~townships~~ **area** in which the inventory is located, the county auditor shall grant the property tax credit.

(d) The property tax credit and the period of the credit provided for inventory under section 10 of this chapter are not affected by a change in the ownership of the high impact business if the new owner of the high impact business owning the inventory:

(1) continues the business operation of the high impact business within the commission's jurisdiction and maintains employment levels within the commission's jurisdiction consistent with the certification and pledge required under section 9(a) of this chapter; and

(2) files an application in the manner provided by subsections (a) and (b).

SECTION 55. IC 6-1.1-11-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3. (a) Subject to subsections (e) and (f), an owner of tangible property who wishes to obtain an exemption from property taxation shall file a certified application in duplicate with the county assessor of the county in which the property that is the subject of the exemption is located. The application must be filed annually on or before May 15 on forms prescribed by the department of local government finance. Except as provided in sections 1, 3.5, and 4 of this chapter, the application applies only for the taxes imposed for the year for which the application is filed.

(b) The authority for signing an exemption application may not be delegated by the owner of the property to any other person except by an executed power of attorney.

(c) An exemption application which is required under this chapter shall contain the following information:

(1) A description of the property claimed to be exempt in sufficient detail to afford identification.

(2) A statement showing the ownership, possession, and use of the

property.

(3) The grounds for claiming the exemption.

(4) The full name and address of the applicant.

(5) For the year that ends on the assessment date of the property, identification of:

(A) each part of the property used or occupied; and

(B) each part of the property not used or occupied;

for one (1) or more exempt purposes under IC 6-1.1-10 during the time the property is used or occupied.

(6) Any additional information which the department of local government finance may require.

(d) A person who signs an exemption application shall attest in writing and under penalties of perjury that, to the best of the person's knowledge and belief, a predominant part of the property claimed to be exempt is not being used or occupied in connection with a trade or business that is not substantially related to the exercise or performance of the organization's exempt purpose.

(e) An owner must file with an application for exemption of real property under subsection (a) or section 5 of this chapter a copy of the ~~township~~ assessor's record kept under IC 6-1.1-4-25(a) that shows the calculation of the assessed value of the real property for the assessment date for which the exemption is claimed. Upon receipt of ~~the~~ **an** exemption application **from a township assessor,** the county assessor shall examine that record and determine if the real property for which the exemption is claimed is properly assessed. If the county assessor determines that the real property is not properly assessed, the county assessor shall direct the township assessor of the township in which the real property is located to:

(1) properly assess the real property; and

(2) notify the county assessor and county auditor of the proper assessment.

(f) If the county assessor determines that the applicant has not filed with an application for exemption a copy of the record referred to in subsection (e), the county assessor shall notify the applicant in writing of that requirement. The applicant then has thirty (30) days after the date of the notice to comply with that requirement. The county property tax assessment board of appeals shall deny an application described in this subsection if the applicant does not comply with that requirement

within the time permitted under this subsection.

SECTION 56. IC 6-1.1-12-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 20. (a) A property owner who desires to obtain the deduction provided by section 18 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the rehabilitated property is located. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. Except as provided in subsection (b), the application must be filed before May 10 of the year in which the addition to assessed value is made.

(b) If notice of the addition to assessed value for any year is not given to the property owner before April 10 of that year, the application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the ~~township~~ assessor.

(c) The application required by this section shall contain the following information:

(1) a description of the property for which a deduction is claimed in sufficient detail to afford identification;

(2) statements of the ownership of the property;

(3) the assessed value of the improvements on the property before rehabilitation;

(4) the number of dwelling units on the property;

(5) the number of dwelling units rehabilitated;

(6) the increase in assessed value resulting from the rehabilitation; and

(7) the amount of deduction claimed.

(d) A deduction application filed under this section is applicable for the year in which the increase in assessed value occurs and for the immediately following four (4) years without any additional application being filed.

(e) On verification of an application by the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the property is located, the county auditor shall make the deduction.

SECTION 57. IC 6-1.1-12-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 24. (a) A property owner who desires to obtain the deduction provided by section 22 of

this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. Except as provided in subsection (b), the application must be filed before May 10 of the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation for any year is not given to the property owner before April 10 of that year, the application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the ~~township~~ assessor.

(c) The application required by this section shall contain the following information:

(1) the name of the property owner;

(2) a description of the property for which a deduction is claimed in sufficient detail to afford identification;

(3) the assessed value of the improvements on the property before rehabilitation;

(4) the increase in the assessed value of improvements resulting from the rehabilitation; and

(5) the amount of deduction claimed.

(d) A deduction application filed under this section is applicable for the year in which the addition to assessed value is made and in the immediate following four (4) years without any additional application being filed.

(e) On verification of the correctness of an application by the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the property is located, the county auditor shall make the deduction.

SECTION 58. IC 6-1.1-12-27.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 27.1. Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 26 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must file the statement during the twelve (12) months before May 11 of each year for which the person desires to

obtain the deduction. With respect to a mobile home which is not assessed as real property, the person must file the statement between January 15 and March 31, inclusive, of each year for which the person desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the real property or mobile home is subject to assessment, the county auditor shall allow the deduction.

SECTION 59. IC 6-1.1-12-28.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 28.5. (a) For purposes of this section:

"Hazardous waste" has the meaning set forth in IC 13-11-2-99(a) and includes a waste determined to be a hazardous waste under IC 13-22-2-3(b).

"Resource recovery system" means tangible property directly used to dispose of solid waste or hazardous waste by converting it into energy or other useful products.

"Solid waste" has the meaning set forth in IC 13-11-2-205(a) but does not include dead animals or any animal solid or semisolid wastes.

(b) Except as provided in this section, the owner of a resource recovery system is entitled to an annual deduction in an amount equal to ninety-five percent (95%) of the assessed value of the system if:

(1) the system was certified by the department of environmental management for the 1993 assessment year or a prior assessment year; and

(2) the owner filed a timely application for the deduction for the 1993 assessment year.

For purposes of this section, a system includes tangible property that replaced tangible property in the system after the certification by the department of environmental management.

(c) The owner of a resource recovery system that is directly used to dispose of hazardous waste is not entitled to the deduction provided by this section for a particular assessment year if during that assessment year the owner:

(1) is convicted of any violation under IC 13-7-13-3 (repealed), IC 13-7-13-4 (repealed), or IC 13-30-6; or

(2) is subject to an order or a consent decree with respect to property located in Indiana based upon a violation of a federal or

state rule, regulation, or statute governing the treatment, storage, or disposal of hazardous wastes that had a major or moderate potential for harm.

(d) The certification of a resource recovery system by the department of environmental management for the 1993 assessment year or a prior assessment year is valid through the 1997 assessment year so long as the property is used as a resource recovery system. If the property is no longer used for the purpose for which the property was used when the property was certified, the owner of the property shall notify the county auditor. However, the deduction from the assessed value of the system is:

(1) ninety-five percent (95%) for the 1994 assessment year;

(2) ninety percent (90%) for the 1995 assessment year;

(3) seventy-five percent (75%) for the 1996 assessment year; and

(4) sixty percent (60%) for the 1997 assessment year.

Notwithstanding this section as it existed before 1995, for the 1994 assessment year, the portion of any tangible property comprising a resource recovery system that was assessed and first deducted for the 1994 assessment year may not be deducted for property taxes first due and payable in 1995 or later.

(e) In order to qualify for a deduction under this section, the person who desires to claim the deduction must file an application with the county auditor after February 28 and before May 16 of the current assessment year. An application must be filed in each year for which the person desires to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. If the application is not filed before the applicable deadline under this subsection, the deduction is waived. The application must be filed on a form prescribed by the department of local government finance. The application for a resource recovery system deduction must include:

(1) a certification by the department of environmental management for the 1993 assessment year or a prior assessment year as described in subsection (d); or

(2) the certification by the department of environmental management for the 1993 assessment year as described in subsection (g).

Beginning with the 1995 assessment year a person must also file an

itemized list of all property on which a deduction is claimed. The list must include the date of purchase of the property and the cost to acquire the property.

(f) Before July 1, 1995, the department of environmental management shall transfer all the applications, records, or other material the department has with respect to resource recovery system deductions under this section for the 1993 and 1994 assessment years. The ~~township~~ assessor shall verify each deduction application filed under this section and the county auditor shall determine the deduction. The county auditor shall send to the department of local government finance a copy of each deduction application. The county auditor shall notify the county property tax assessment board of appeals of all deductions allowed under this section. A denial of a deduction claimed under this subsection may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the ~~township~~ assessor or the county auditor.

(g) Notwithstanding subsection (d), the certification for the 1993 assessment year of a resource recovery system in regard to which a political subdivision is liable for the payment of the property taxes remains valid at the ninety-five percent (95%) deduction level allowed before 1994 as long as the political subdivision remains liable for the payment of the property taxes on the system.

SECTION 60. IC 6-1.1-12-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 30. Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 29 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must file the statement between March 1 and May 10, inclusive, of each year for which the person desires to obtain the deduction. With respect to a mobile home which is not assessed as real property, the person must file the statement between January 15 and March 31, inclusive, of each year for which the person desires to obtain the deduction. On verification of the statement by the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the real property or mobile home is subject to assessment, the county auditor shall allow the deduction.

SECTION 61. IC 6-1.1-12-35.5, AS AMENDED BY P.L.214-2005,

SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 35.5. (a) Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 31, 33, 34, or 34.5 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, and proof of certification under subsection (b) or (f) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. Except as provided in subsection (e), with respect to property that is not assessed under IC 6-1.1-7, the person must file the statement between March 1 and May 10, inclusive, of the assessment year. The person must file the statement in each year for which the person desires to obtain the deduction. With respect to a property which is assessed under IC 6-1.1-7, the person must file the statement between January 15 and March 31, inclusive, of each year for which the person desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor, ~~of~~ **who serves** the ~~township~~ **area** in which the property for which the deduction is claimed is subject to assessment, the county auditor shall allow the deduction.

(b) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. The department of environmental management, upon application by a property owner, shall determine whether a system or device qualifies for a deduction provided by section 31, 33, or 34 of this chapter. If the department determines that a system or device qualifies for a deduction, it shall certify the system or device and provide proof of the certification to the property owner. The department shall prescribe the form and manner of the certification process required by this subsection.

(c) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. If the department of environmental management receives an application for certification before April 10 of the assessment year, the department shall determine whether the system or device qualifies for a deduction before May 10 of the assessment year. If the department fails to make a determination under this subsection before May 10 of the assessment year, the system or device is considered certified.

(d) A denial of a deduction claimed under section 31, 33, 34, or 34.5 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the ~~township~~ assessor, county property tax assessment board of appeals, or department of local government finance.

(e) A person who timely files a personal property return under IC 6-1.1-3-7(a) for an assessment year and who desires to claim the deduction provided in section 31 of this chapter for property that is not assessed under IC 6-1.1-7 must file the statement described in subsection (a) between March 1 and May 15, inclusive, of that year. A person who obtains a filing extension under IC 6-1.1-3-7(b) for an assessment year must file the application between March 1 and the extended due date for that year.

(f) This subsection applies only to an application for a deduction under section 34.5 of this chapter. The center for coal technology research established by IC 4-4-30-5, upon receiving an application from the owner of a building, shall determine whether the building qualifies for a deduction under section 34.5 of this chapter. If the center determines that a building qualifies for a deduction, the center shall certify the building and provide proof of the certification to the owner of the building. The center shall prescribe the form and procedure for certification of buildings under this subsection. If the center receives an application for certification of a building under section 34.5 of this chapter before April 10 of an assessment year:

(1) the center shall determine whether the building qualifies for a deduction before May 10 of the assessment year; and

(2) if the center fails to make a determination before May 10 of the assessment year, the building is considered certified.

SECTION 62. IC 6-1.1-12-38 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 38. (a) A person is entitled to a deduction from the assessed value of the person's property in an amount equal to the difference between:

(1) the assessed value of the person's property, including the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-3-3-12 and the pesticide storage rules adopted by the state chemist under IC 15-3-3.5-11; minus

(2) the assessed value of the person's property, excluding the

assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-3-3-12 and the pesticide storage rules adopted by the state chemist under IC 15-3-3.5-11.

(b) To obtain the deduction under this section, a person must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is subject to assessment. In addition to the certified statement, the person must file a certification by the state chemist listing the improvements that were made to comply with the fertilizer storage rules adopted under IC 15-3-3-12 and the pesticide storage rules adopted by the state chemist under IC 15-3-3.5-11. The statement and certification must be filed before May 10 of the year preceding the year the deduction will first be applied. Upon the verification of the statement and certification by the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the property is subject to assessment, the county auditor shall allow the deduction.

SECTION 63. IC 6-1.1-12-41, AS AMENDED BY P.L.199-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 41. (a) This section does not apply to assessment years beginning after December 31, 2005.

(b) As used in this section, "assessed value of inventory" means the assessed value determined after the application of any deductions or adjustments that apply by statute or rule to the assessment of inventory, other than the deduction allowed under subsection (f).

(c) As used in this section, "county income tax council" means a council established by IC 6-3.5-6-2.

(d) As used in this section, "fiscal body" has the meaning set forth in IC 36-1-2-6.

(e) As used in this section, "inventory" has the meaning set forth in IC 6-1.1-3-11.

(f) An ordinance may be adopted in a county to provide that a deduction applies to the assessed value of inventory located in the county. The deduction is equal to one hundred percent (100%) of the assessed value of inventory located in the county for the appropriate year of assessment. An ordinance adopted under this section in a particular year applies:

(1) if adopted before March 31, 2004, to each subsequent

assessment year ending before January 1, 2006; and

(2) if adopted after March 30, 2004, and before June 1, 2005, to the March 1, 2005, assessment date.

An ordinance adopted under this section may be consolidated with an ordinance adopted under IC 6-3.5-7-25 or IC 6-3.5-7-26. The consolidation of an ordinance adopted under this section with an ordinance adopted under IC 6-3.5-7-26 does not cause the ordinance adopted under IC 6-3.5-7-26 to expire after December 31, 2005.

(g) An ordinance may not be adopted under subsection (f) after May 30, 2005. However, an ordinance adopted under this section:

(1) before March 31, 2004, may be amended after March 30, 2004; and

(2) before June 1, 2005, may be amended after May 30, 2005;

to consolidate an ordinance adopted under IC 6-3.5-7-26.

(h) The entity that may adopt the ordinance permitted under subsection (f) is:

(1) the county income tax council if the county option income tax is in effect on January 1 of the year in which an ordinance under this section is adopted;

(2) the county fiscal body if the county adjusted gross income tax is in effect on January 1 of the year in which an ordinance under this section is adopted; or

(3) the county income tax council or the county fiscal body, whichever acts first, for a county not covered by subdivision (1) or (2).

To adopt an ordinance under subsection (f), a county income tax council shall use the procedures set forth in IC 6-3.5-6 concerning the imposition of the county option income tax. The entity that adopts the ordinance shall provide a certified copy of the ordinance to the department of local government finance before February 1.

(i) A taxpayer is not required to file an application to qualify for the deduction permitted under subsection (f).

(j) The department of local government finance shall incorporate the deduction established in this section in the personal property return form to be used each year for filing under IC 6-1.1-3-7 or IC 6-1.1-3-7.5 to permit the taxpayer to enter the deduction on the form. If a taxpayer fails to enter the deduction on the form, the ~~township~~ assessor shall:

(1) determine the amount of the deduction; and

(2) within the period established in IC 6-1.1-16-1, issue a notice of assessment to the taxpayer that reflects the application of the deduction to the inventory assessment.

(k) The deduction established in this section must be applied to any inventory assessment made by:

(1) an assessing official;

(2) a county property tax board of appeals; or

(3) the department of local government finance.

SECTION 64. IC 6-1.1-12-42 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 42. (a) As used in this section, "assessed value of inventory" means the assessed value determined after the application of any deductions or adjustments that apply by statute or rule to the assessment of inventory, other than the deduction established in subsection (c).

(b) As used in this section, "inventory" has the meaning set forth in IC 6-1.1-3-11.

(c) A taxpayer is entitled to a deduction from assessed value equal to one hundred percent (100%) of the taxpayer's assessed value of inventory beginning with assessments made in 2006 for property taxes first due and payable in 2007.

(d) A taxpayer is not required to file an application to qualify for the deduction established by this section.

(e) The department of local government finance shall incorporate the deduction established by this section in the personal property return form to be used each year for filing under IC 6-1.1-3-7 or IC 6-1.1-3-7.5 to permit the taxpayer to enter the deduction on the form. If a taxpayer fails to enter the deduction on the form, the ~~township~~ assessor shall:

(1) determine the amount of the deduction; and

(2) within the period established in IC 6-1.1-16-1, issue a notice of assessment to the taxpayer that reflects the application of the deduction to the inventory assessment.

(f) The deduction established by this section must be applied to any inventory assessment made by:

(1) an assessing official;

(2) a county property tax assessment board of appeals; or

(3) the department of local government finance.

SECTION 65. IC 6-1.1-12.1-5, AS AMENDED BY P.L.193-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 5. (a) A property owner who desires to obtain the deduction provided by section 3 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. Except as otherwise provided in subsection (b) or (e), the deduction application must be filed before May 10 of the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation or new assessment for any year is not given to the property owner before April 10 of that year, the deduction application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the ~~township~~ assessor.

(c) The deduction application required by this section must contain the following information:

(1) The name of the property owner.

(2) A description of the property for which a deduction is claimed in sufficient detail to afford identification.

(3) The assessed value of the improvements before rehabilitation.

(4) The increase in the assessed value of improvements resulting from the rehabilitation.

(5) The assessed value of the new structure in the case of redevelopment.

(6) The amount of the deduction claimed for the first year of the deduction.

(7) If the deduction application is for a deduction in a residentially distressed area, the assessed value of the improvement or new structure for which the deduction is claimed.

(d) A deduction application filed under subsection (a) or (b) is applicable for the year in which the addition to assessed value or assessment of a new structure is made and in the following years the deduction is allowed without any additional deduction application being filed. However, property owners who had an area designated an urban development area pursuant to a deduction application filed prior to January 1, 1979, are only entitled to a deduction for a five (5) year period. In addition, property owners who are entitled to a deduction

under this chapter pursuant to a deduction application filed after December 31, 1978, and before January 1, 1986, are entitled to a deduction for a ten (10) year period.

(e) A property owner who desires to obtain the deduction provided by section 3 of this chapter but who has failed to file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between March 1 and May 10 of a subsequent year which shall be applicable for the year filed and the subsequent years without any additional deduction application being filed for the amounts of the deduction which would be applicable to such years pursuant to section 4 of this chapter if such a deduction application had been filed in accordance with subsection (a) or (b).

(f) Subject to subsection (i), the county auditor shall act as follows:

(1) If a determination about the number of years the deduction is allowed has been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall make the appropriate deduction.

(2) If a determination about the number of years the deduction is allowed has not been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall send a copy of the deduction application to the designating body. Upon receipt of the resolution stating the number of years the deduction will be allowed, the county auditor shall make the appropriate deduction.

(3) If the deduction application is for rehabilitation or redevelopment in a residentially distressed area, the county auditor shall make the appropriate deduction.

(g) The amount and period of the deduction provided for property by section 3 of this chapter are not affected by a change in the ownership of the property if the new owner of the property:

(1) continues to use the property in compliance with any standards established under section 2(g) of this chapter; and

(2) files an application in the manner provided by subsection (e).

(h) The ~~township~~ assessor shall include a notice of the deadlines for filing a deduction application under subsections (a) and (b) with each notice to a property owner of an addition to assessed value or of a new assessment.

(i) Before the county auditor acts under subsection (f), the county auditor may request that the ~~township~~ assessor ~~of~~ **who serves** the

~~township~~ **area** in which the property is located review the deduction application.

(j) A property owner may appeal a determination of the county auditor under subsection (f) to deny or alter the amount of the deduction by requesting in writing a preliminary conference with the county auditor not more than forty-five (45) days after the county auditor gives the person notice of the determination. An appeal initiated under this subsection is processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15.

SECTION 66. IC 6-1.1-12.1-5.4, AS AMENDED BY P.L.193-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 5.4. (a) A person that desires to obtain the deduction provided by section 4.5 of this chapter must file a certified deduction schedule with the person's personal property return on a form prescribed by the department of local government finance with the ~~township~~ assessor ~~of~~ **who serves** the ~~township~~ **area** in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is located. Except as provided in subsection (e), the deduction is applied in the amount claimed in a certified schedule that a person files with:

(1) a timely personal property return under IC 6-1.1-3-7(a) or IC 6-1.1-3-7(b); or

(2) a timely amended personal property return under IC 6-1.1-3-7.5.

~~The~~ **A** township assessor shall forward to the county auditor and the county assessor a copy of each certified deduction schedule filed **with the township assessor** under this subsection. **A county assessor shall forward to the county auditor a copy of each certified deduction schedule filed with the county assessor under this subsection.**

(b) The deduction schedule required by this section must contain the following information:

(1) The name of the owner of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(2) A description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(3) The amount of the deduction claimed for the first year of the deduction.

(c) This subsection applies to a deduction schedule with respect to new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment for which a statement of benefits was initially approved after April 30, 1991. If a determination about the number of years the deduction is allowed has not been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall send a copy of the deduction schedule to the designating body, and the designating body shall adopt a resolution under section 4.5(g)(2) of this chapter.

(d) A deduction schedule must be filed under this section in the year in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is installed and in each of the immediately succeeding years the deduction is allowed.

(e) The ~~township assessor or the county~~ assessor may:

(1) review the deduction schedule; and

(2) before the March 1 that next succeeds the assessment date for which the deduction is claimed, deny or alter the amount of the deduction.

If the ~~township assessor or the county~~ assessor does not deny the deduction, the county auditor shall apply the deduction in the amount claimed in the deduction schedule or in the amount as altered by the ~~township assessor or the county~~ assessor. ~~A township assessor or a county~~ **An** assessor who denies a deduction under this subsection or alters the amount of the deduction shall notify the person that claimed the deduction and the county auditor of the assessor's action. The county auditor shall notify the designating body and the county property tax assessment board of appeals of all deductions applied under this section.

(f) If the ownership of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment changes, the deduction provided under section 4.5 of this chapter continues to apply to that equipment if the new owner:

(1) continues to use the equipment in compliance with any

standards established under section 2(g) of this chapter; and

(2) files the deduction schedules required by this section.

(g) The amount of the deduction is the percentage under section 4.5 of this chapter that would have applied if the ownership of the property had not changed multiplied by the assessed value of the equipment for the year the deduction is claimed by the new owner.

(h) A person may appeal a determination of the ~~township assessor or the county~~ assessor under subsection (e) to deny or alter the amount of the deduction by requesting in writing a preliminary conference with the ~~township assessor or the county~~ assessor not more than forty-five (45) days after the ~~township assessor or the county~~ assessor gives the person notice of the determination. Except as provided in subsection (i), an appeal initiated under this subsection is processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15.

(i) The county assessor is recused from any action the county property tax assessment board of appeals takes with respect to an appeal under subsection (h) of a determination by the county assessor.

SECTION 67. IC 6-1.1-12.1-5.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 5.8. In lieu of providing the statement of benefits required by section 3 or 4.5 of this chapter and the additional information required by section 5.1 or 5.6 of this chapter, the designating body may, by resolution, waive the statement of benefits if the designating body finds that the purposes of this chapter are served by allowing the deduction and the property owner has, during the thirty-six (36) months preceding the first assessment date to which the waiver would apply, installed new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment or developed or rehabilitated property at a cost of at least ten million dollars ($10,000,000) as determined by the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the property is located.

SECTION 68. IC 6-1.1-12.1-5.9, AS AMENDED BY P.L.193-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 5.9. (a) This section does not apply to:

(1) a deduction under section 3 of this chapter for property located in a residentially distressed area; or

(2) any other deduction under section 3 or 4.5 of this chapter for which a statement of benefits was approved before July 1, 1991.

(b) Not later than forty-five (45) days after receipt of the information described in section 5.1 or 5.6 of this chapter, the designating body may determine whether the property owner has substantially complied with the statement of benefits approved under section 3 or 4.5 of this chapter. If the designating body determines that the property owner has not substantially complied with the statement of benefits and that the failure to substantially comply was not caused by factors beyond the control of the property owner (such as declines in demand for the property owner's products or services), the designating body shall mail a written notice to the property owner. The written notice must include the following provisions:

(1) An explanation of the reasons for the designating body's determination.

(2) The date, time, and place of a hearing to be conducted by the designating body for the purpose of further considering the property owner's compliance with the statement of benefits. The date of the hearing may not be more than thirty (30) days after the date on which the notice is mailed.

(c) On the date specified in the notice described in subsection (b)(2), the designating body shall conduct a hearing for the purpose of further considering the property owner's compliance with the statement of benefits. Based on the information presented at the hearing by the property owner and other interested parties, the designating body shall again determine whether the property owner has made reasonable efforts to substantially comply with the statement of benefits and whether any failure to substantially comply was caused by factors beyond the control of the property owner. If the designating body determines that the property owner has not made reasonable efforts to comply with the statement of benefits, the designating body shall adopt a resolution terminating the property owner's deduction under section 3 or 4.5 of this chapter. If the designating body adopts such a resolution, the deduction does not apply to the next installment of property taxes owed by the property owner or to any subsequent installment of property taxes.

(d) If the designating body adopts a resolution terminating a deduction under subsection (c), the designating body shall immediately

mail a certified copy of the resolution to:

(1) the property owner;

(2) the county auditor; and

(3) ~~if the deduction applied under section 4.5 of this chapter,~~ the ~~township~~ assessor **who serves the area in which the property to which the deduction applied is located.**

The county auditor shall remove the deduction from the tax duplicate and shall notify the county treasurer of the termination of the deduction. If the designating body's resolution is adopted after the county treasurer has mailed the statement required by IC 6-1.1-22-8, the county treasurer shall immediately mail the property owner a revised statement that reflects the termination of the deduction.

(e) A property owner whose deduction is terminated by the designating body under this section may appeal the designating body's decision by filing a complaint in the office of the clerk of the circuit or superior court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner. An appeal under this subsection shall be promptly heard by the court without a jury and determined within thirty (30) days after the time of the filing of the appeal. The court shall hear evidence on the appeal and may confirm the action of the designating body or sustain the appeal. The judgment of the court is final and conclusive unless an appeal is taken as in other civil actions.

(f) If an appeal under subsection (e) is pending, the taxes resulting from the termination of the deduction are not due until after the appeal is finally adjudicated and the termination of the deduction is finally determined.

SECTION 69. IC 6-1.1-12.4-2, AS ADDED BY P.L.193-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 2. (a) For purposes of this section, an increase in the assessed value of real property is determined in the same manner that an increase in the assessed value of real property is determined for purposes of IC 6-1.1-12.1.

(b) This subsection applies only to a development, redevelopment, or rehabilitation that is first assessed after March 1, 2005, and before March 2, 2009. Except as provided in subsection (h) and sections 4, 5, and 8 of this chapter, an owner of real property that:

(1) develops, redevelops, or rehabilitates the real property; and

(2) creates or retains employment from the development, redevelopment, or rehabilitation;

is entitled to a deduction from the assessed value of the real property.

(c) The deduction under this section is first available in the year in which the increase in assessed value resulting from the development, redevelopment, or rehabilitation occurs and continues for the following two (2) years. The amount of the deduction that a property owner may receive with respect to real property located in a county for a particular year equals the lesser of:

(1) two million dollars ($2,000,000); or

(2) the product of:

(A) the increase in assessed value resulting from the development, rehabilitation, or redevelopment; multiplied by

(B) the percentage from the following table:

YEAR OF DEDUCTION	PERCENTAGE
1st	75%
2nd	50%
3rd	25%

(d) A property owner that qualifies for the deduction under this section must file a notice to claim the deduction in the manner prescribed by the department of local government finance under rules adopted by the department of local government finance under IC 4-22-2 to implement this chapter. The ~~township~~ assessor **who serves the area in which the property to which the deduction applied is located** shall:

(1) inform the county auditor of the real property eligible for the deduction as contained in the notice filed by the taxpayer under this subsection; and

(2) inform the county auditor of the deduction amount.

(e) The county auditor shall:

(1) make the deductions; and

(2) notify the county property tax assessment board of appeals of all deductions approved;

under this section.

(f) The amount of the deduction determined under subsection (c)(2) is adjusted to reflect the percentage increase or decrease in assessed valuation that results from:

(1) a general reassessment of real property under IC 6-1.1-4-4; or

(2) an annual adjustment under IC 6-1.1-4-4.5.

(g) If an appeal of an assessment is approved that results in a reduction of the assessed value of the real property, the amount of the deduction under this section is adjusted to reflect the percentage decrease that results from the appeal.

(h) The deduction under this section does not apply to a facility listed in IC 6-1.1-12.1-3(e).

SECTION 70. IC 6-1.1-12.4-3, AS ADDED BY P.L.193-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3. (a) For purposes of this section, an increase in the assessed value of personal property is determined in the same manner that an increase in the assessed value of new manufacturing equipment is determined for purposes of IC 6-1.1-12.1.

(b) This subsection applies only to personal property that the owner purchases after March 1, 2005, and before March 2, 2009. Except as provided in sections 4, 5, and 8 of this chapter, an owner that purchases personal property other than inventory (as defined in 50 IAC 4.2-5-1, as in effect on January 1, 2005) that:

(1) was never before used by its owner for any purpose in Indiana; and

(2) creates or retains employment;

is entitled to a deduction from the assessed value of the personal property.

(c) The deduction under this section is first available in the year in which the increase in assessed value resulting from the purchase of the personal property occurs and continues for the following two (2) years. The amount of the deduction that a property owner may receive with respect to personal property located in a county for a particular year equals the lesser of:

(1) two million dollars ($2,000,000); or

(2) the product of:

(A) the increase in assessed value resulting from the purchase of the personal property; multiplied by

(B) the percentage from the following table:

YEAR OF DEDUCTION	PERCENTAGE
1st	75%
2nd	50%
3rd	25%

(d) If an appeal of an assessment is approved that results in a reduction of the assessed value of the personal property, the amount of the deduction is adjusted to reflect the percentage decrease that results from the appeal.

(e) A property owner must claim the deduction under this section on the owner's annual personal property tax return. The ~~township~~ assessor **who serves the area in which the property to which the deduction applied is located** shall:

(1) identify the personal property eligible for the deduction to the county auditor; and

(2) inform the county auditor of the deduction amount.

(f) The county auditor shall:

(1) make the deductions; and

(2) notify the county property tax assessment board of appeals of all deductions approved;

under this section.

SECTION 71. IC 6-1.1-13-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 2. When the county property tax assessment board of appeals convenes, the county auditor shall submit to the board the assessment list of the county for the current year as returned by ~~the township~~ assessors. ~~and as amended and returned by the county assessor.~~ The county assessor shall make recommendations to the board for corrections and changes in the returns and assessments. The board shall consider and act upon all the recommendations.

SECTION 72. IC 6-1.1-14-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 2. Each county assessor shall transmit to the department of local government finance **a copy of** each business personal property return ~~which the township assessor~~ **that the taxpayer** is required to ~~deliver to the county assessor under IC 6-1.1-3-18(b)~~ **file in duplicate under IC 6-1.1-3-7(c)** and any supporting data supplied by the taxpayer with the return. The return and supporting data shall be transmitted to the department of local government finance on or before the time prescribed by the department.

SECTION 73. IC 6-1.1-15-1, AS AMENDED BY P.L.199-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 1. (a) A taxpayer may obtain a review by the county property tax assessment board of appeals of a county or

township official's action with respect to the assessment of the taxpayer's tangible property if the official's action requires the giving of notice to the taxpayer. At the time that notice is given to the taxpayer, the taxpayer shall also be informed in writing of:

(1) the opportunity for review under this section, including an informal preliminary conference with the county or township official referred to in this subsection; and

(2) the procedures the taxpayer must follow in order to obtain review under this section.

(b) In order to appeal ~~a current~~ **an** assessment ~~and have a change in the assessment~~ effective for the ~~most recent~~ assessment date **in a current calendar year,** the taxpayer must request in writing a preliminary conference with the county or township official referred to in subsection (a):

(1) not later than forty-five (45) days after notice of a change in the assessment **for the current calendar year** is given to the taxpayer; or

(2) **for the assessment date in a current calendar year for which notice of a change in the assessment is not given to the taxpayer:**

(A) after the mailing date of the statement under IC 6-1.1-17-3 in the immediately preceding calendar year; and

(B) on or before May 10 of ~~that~~ **the current calendar** year.

~~whichever is later.~~ The preliminary conference required under this subsection is a prerequisite to a review by the county property tax assessment board of appeals under subsection (i).

(c) A change in an assessment made as a result of an appeal filed:

(1) in the same year that notice of a change in the assessment is given to the taxpayer; and

(2) after the time prescribed in subsection (b);

becomes effective for the next assessment date.

(d) A taxpayer may appeal a current real property assessment in a year even if the taxpayer has not received a notice of assessment in the year. If an appeal is filed on or before May 10 of a year in which the taxpayer has not received notice of assessment, a change in the assessment resulting from the appeal is effective for the most recent assessment date. If the appeal is filed after May 10, the change becomes

effective for the next assessment date.

(e) The written request for a preliminary conference that is required under subsection (b) must include the following information:

(1) The name of the taxpayer.

(2) The address and parcel or key number of the property.

(3) The address and telephone number of the taxpayer.

(f) The county or township official referred to in subsection (a) shall, not later than thirty (30) days after the receipt of a written request for a preliminary conference, attempt to hold a preliminary conference with the taxpayer to resolve as many issues as possible by:

(1) discussing the specifics of the taxpayer's reassessment;

(2) reviewing the taxpayer's property record card;

(3) explaining to the taxpayer how the reassessment was determined;

(4) providing to the taxpayer information about the statutes, rules, and guidelines that govern the determination of the reassessment;

(5) noting and considering objections of the taxpayer;

(6) considering all errors alleged by the taxpayer; and

(7) otherwise educating the taxpayer about:

(A) the taxpayer's reassessment;

(B) the reassessment process; and

(C) the reassessment appeal process.

Not later than ten (10) days after the conference, the county or township official referred to in subsection (a) shall forward to the county auditor and the county property tax assessment board of appeals the results of the conference on a form prescribed by the department of local government finance that must be completed and signed by the taxpayer and the official. The official and the taxpayer shall each retain a copy of the form for their records.

(g) The form submitted to the county property tax assessment board of appeals under subsection (f) must specify the following:

(1) The physical characteristics of the property in issue that bear on the assessment determination.

(2) All other facts relevant to the assessment determination.

(3) A list of the reasons the taxpayer believes that the assessment determination by the county or township official referred to in subsection (a) is incorrect.

(4) An indication of the agreement or disagreement by the official

with each item listed under subdivision (3).

(5) The reasons the official believes that the assessment determination is correct.

(h) If after the conference there are no items listed on the form submitted to the county property tax assessment board of appeals under subsection (f) on which there is disagreement:

(1) the county or township official referred to in subsection (a) shall give notice to the taxpayer, the county property tax assessment board of appeals, and the county assessor of the assessment in the amount agreed to by the taxpayer and the official; and

(2) the county property tax assessment board of appeals may reserve the right to change the assessment under IC 6-1.1-13.

(i) If after the conference there are items listed in the form submitted under subsection (f) on which there is disagreement, the county property tax assessment board of appeals shall hold a hearing. The taxpayer and county or township official whose original determination is under review are parties to the proceeding before the board of appeals. Except as provided in subsections (k) and (l), the hearing must be held not later than ninety (90) days after the official's receipt of the taxpayer's written request for a preliminary conference under subsection (b). The taxpayer may present the taxpayer's reasons for disagreement with the assessment. The county or township official referred to in subsection (a) must present the basis for the assessment decision on these items to the board of appeals at the hearing and the reasons the taxpayer's appeal should be denied on those items. **The county assessor is recused from any action the county property tax assessment board of appeals takes with respect to an assessment determination by the county assessor.** The board of appeals shall have a written record of the hearing and prepare a written statement of findings and a decision on each item not later than sixty (60) days after the hearing, except as provided in subsections (k) and (l).

(j) If the **county or** township ~~assessor~~ **official referred to in subsection (a)** does not attempt to hold a preliminary conference, the taxpayer may file a request in writing with the county assessor for a hearing before the property tax assessment board of appeals. If the board determines that the county or township official referred to in subsection (a) did not attempt to hold a preliminary conference, the

board shall hold a hearing. The taxpayer and the county or township official whose original determination is under review are parties to the proceeding before the board of appeals. The hearing must be held not later than ninety (90) days after the receipt by the board of appeals of the taxpayer's hearing request under this subsection. The requirements of subsection (i) with respect to:

(1) participation in the hearing by the taxpayer and the township assessor or county assessor; and

(2) the procedures to be followed by the county board;

apply to a hearing held under this subsection.

(k) This subsection applies to a county having a population of more than three hundred thousand (300,000). In the case of a petition filed after December 31, 2000, the county property tax assessment board of appeals shall:

(1) hold its hearing not later than one hundred eighty (180) days instead of ninety (90) days after the filing of the petition; and

(2) have a written record of the hearing and prepare a written statement of findings and a decision on each item not later than one hundred twenty (120) days after the hearing.

(l) This subsection applies to a county having a population of three hundred thousand (300,000) or less. With respect to an appeal of a real property assessment that takes effect on the assessment date on which a general reassessment of real property takes effect under IC 6-1.1-4-4, the county property tax assessment board of appeals shall:

(1) hold its hearing not later than one hundred eighty (180) days instead of ninety (90) days after the filing of the petition; and

(2) have a written record of the hearing and prepare a written statement of findings and a decision on each item not later than one hundred twenty (120) days after the hearing.

(m) The county property tax assessment board of appeals:

(1) may not require a taxpayer to file documentary evidence or summaries of statements of testimonial evidence before the hearing required under subsection (i) or (j); and

(2) may amend the form submitted under subsection (f) if the board determines that the amendment is warranted.

(n) Upon receiving a request for a preliminary conference under subsection (b), the county or township official referred to in subsection (a) shall notify the county auditor in writing that the assessment is

under appeal. With respect to an appeal of the assessment of real property or personal property filed after June 30, 2005, the notice must include the appellant's name and address, the assessed value of the appealed items for the assessment date immediately preceding the assessment date for which the appeal was filed, and the assessed value of the appealed items on the most recent assessment date. If the county auditor determines that the assessed value of the appealed items constitutes at least one percent (1%) of the total gross certified assessed value of a particular taxing unit for the assessment date immediately preceding the assessment date for which the appeal was filed, the county auditor shall send a copy of the notice to the affected taxing unit. Failure of the county auditor to send a copy of the notice to the affected taxing unit does not affect the validity of the appeal or delay the appeal.

SECTION 74. IC 6-1.1-15-5, AS AMENDED BY P.L.199-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 5. (a) Not later than fifteen (15) days after the Indiana board gives notice of its final determination under section 4 of this chapter to the party or the maximum allowable time for the issuance of a final determination by the Indiana board under section 4 of this chapter expires, a party to the proceeding may request a rehearing before the Indiana board. The Indiana board may conduct a rehearing and affirm or modify its final determination, giving the same notices after the rehearing as are required by section 4 of this chapter. The Indiana board has fifteen (15) days after receiving a petition for a rehearing to determine whether to grant a rehearing. Failure to grant a rehearing not later than fifteen (15) days after receiving the petition shall be treated as a final determination to deny the petition. A petition for a rehearing does not toll the time in which to file a petition for judicial review unless the petition for rehearing is granted. If the Indiana board determines to rehear a final determination, the Indiana board:

(1) may conduct the additional hearings that the Indiana board determines necessary or review the written record without additional hearings; and

(2) shall issue a final determination not later than ninety (90) days after notifying the parties that the Indiana board will rehear the final determination.

If the Indiana board fails to make a final determination within the time allowed under subdivision (2), the entity that initiated the petition for rehearing may take no action and wait for the Indiana board to make a final determination or petition for judicial review under subsection (g).

(b) A person may petition for judicial review of the final determination of the Indiana board regarding the assessment of that person's tangible property. The action shall be taken to the tax court under IC 4-21.5-5. Petitions for judicial review may be consolidated at the request of the appellants if it can be done in the interest of justice. The property tax assessment board of appeals that made the determination under appeal under this section may, with the approval of the county executive, file an amicus curiae brief in the review proceeding under this section. The expenses incurred by the property tax assessment board of appeals in filing the amicus curiae brief shall be paid from the property reassessment fund under IC 6-1.1-4-27.5. In addition, the executive of a taxing unit may file an amicus curiae brief in the review proceeding under this section if the property whose assessment is under appeal is subject to assessment by that taxing unit. The department of local government finance may intervene in an action taken under this subsection if the interpretation of a rule of the department is at issue in the action. A township assessor, county assessor, member of a county property tax assessment board of appeals, or county property tax assessment board of appeals that made the original assessment determination under appeal under this section is a party to the review under this section to defend the determination.

(c) Except as provided in subsection (g), to initiate a proceeding for judicial review under this section, a person must take the action required by subsection (b) not later than:

(1) forty-five (45) days after the Indiana board gives the person notice of its final determination, unless a rehearing is conducted under subsection (a); or

(2) thirty (30) days after the Indiana board gives the person notice under subsection (a) of its final determination, if a rehearing is conducted under subsection (a) or the maximum time elapses for the Indiana board to make a determination under this section.

(d) The failure of the Indiana board to conduct a hearing within the period prescribed in section 4(h) or 4(i) of this chapter does not constitute notice to the person of an Indiana board final determination.

(e) The county executive may petition for judicial review to the tax court in the manner prescribed in this section upon request by the county assessor, the ~~elected~~ township assessor, or an affected taxing unit. If an appeal is taken at the request of an affected taxing unit, the taxing unit shall pay the costs of the appeal.

(f) If the county executive determines upon a request under this subsection to not appeal to the tax court:

(1) the entity described in subsection (b) that made the original determination under appeal under this section may take an appeal to the tax court in the manner prescribed in this section using funds from that entity's budget; and

(2) the petitioner may not be represented by the attorney general in an action described in subdivision (1).

(g) If the maximum time elapses for the Indiana board to give notice of its final determination under subsection (a) or section 4 of this chapter, a person may initiate a proceeding for judicial review by taking the action required by subsection (b) at any time after the maximum time elapses. If:

(1) a judicial proceeding is initiated under this subsection; and

(2) the Indiana board has not issued a determination;

the tax court shall determine the matter de novo.

SECTION 75. IC 6-1.1-15-9, AS AMENDED BY P.L.199-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 9. (a) If the assessment of tangible property is corrected by the department of local government finance or the county property tax assessment board of appeals under section 8 of this chapter, the owner of the property has a right to appeal the final determination of the corrected assessment to the Indiana board. The county executive also has a right to appeal the final determination of the reassessment by the department of local government finance or the county property tax assessment board of appeals but only upon request by the county assessor, the ~~elected~~ township assessor, or an affected taxing unit. If the appeal is taken at the request of an affected taxing unit, the taxing unit shall pay the costs of the appeal.

(b) An appeal under this section must be initiated in the manner prescribed in section 3 of this chapter or IC 6-1.5-5.

SECTION 76. IC 6-1.1-15-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) If a petition

for review to any board or a proceeding for judicial review in the tax court regarding an assessment or increase in assessment is pending, the taxes resulting from the assessment or increase in assessment are, notwithstanding ~~the provisions of~~ IC 6-1.1-22-9, not due until after the petition for review, or the proceeding for judicial review, is finally adjudicated and the assessment or increase in assessment is finally determined. However, even though a petition for review or a proceeding for judicial review is pending, the taxpayer shall pay taxes on the tangible property when the property tax installments come due, unless the collection of the taxes is stayed under IC 4-21.5-5-9 pending a final determination in the proceeding for judicial review. The amount of taxes which the taxpayer is required to pay, pending the final determination of the assessment or increase in assessment, shall be based on:

(1) the assessed value reported by the taxpayer on the taxpayer's personal property return if a personal property assessment, or an increase in such an assessment, is involved; or

(2) an amount based on the immediately preceding year's assessment of real property if an assessment, or increase in assessment, of real property is involved.

(b) If the petition for review or the proceeding for judicial review is not finally determined by the last installment date for the taxes, the taxpayer, upon showing of cause by a taxing official or at the tax court's discretion, may be required to post a bond or provide other security in an amount not to exceed the taxes resulting from the contested assessment or increase in assessment.

(c) Each county auditor shall keep separate on the tax duplicate a record of that portion of the assessed value of property that is described in IC 6-1.1-17-0.5(b) **or IC 6-1.1-17-0.5(d).** When establishing rates and calculating state school support, the department of local government finance shall exclude from assessed value in the county the assessed value of property kept separate on the tax duplicate by the county auditor under IC 6-1.1-17-0.5(b) **or IC 6-1.1-17-0.5(d).**

SECTION 77. IC 6-1.1-15-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 12. (a) Subject to the limitations contained in subsections (c), ~~and~~ (d), **and (e),** a county auditor shall correct errors which are discovered in the tax duplicate for any one (1) or more of the following reasons:

(1) The description of the real property was in error.

(2) The assessment was against the wrong person.

(3) Taxes on the same property were charged more than one (1) time in the same year.

(4) There was a mathematical error in computing the taxes or penalties on the taxes.

(5) There was an error in carrying delinquent taxes forward from one (1) tax duplicate to another.

(6) The taxes, as a matter of law, were illegal.

(7) There was a mathematical error in computing an assessment.

(8) Through an error of omission by any state or county officer the taxpayer was not given credit for an exemption or deduction permitted by law.

(b) The county auditor shall correct an error described under subsection (a)(1), (a)(2), (a)(3), (a)(4), or (a)(5) when the county auditor finds that the error exists.

(c) If the tax is based on an assessment made or determined by the state board of tax commissioners (before the board was abolished) or the department of local government finance, the county auditor shall not correct an error described under subsection (a)(6), (a)(7), or (a)(8) until after the correction is either approved by the department of local government finance or ordered by the tax court.

(d) **Except as provided in subsection (e),** if the tax is not based on an assessment made or determined by the ~~state board of tax commissioners (before the board was abolished) or the~~ department of local government finance, the county auditor shall correct an error described under subsection (a)(6), (a)(7), or (a)(8) only if the correction is first approved by at least two (2) of the following officials:

(1) The township assessor.

(2) The county auditor.

(3) The county assessor.

(e) In a county in which there are no township assessors, if the tax is not based on an assessment made or determined by the department of local government finance, the county auditor shall correct an error described under subsection (a)(6), (a)(7), or (a)(8) only if the correction is first approved by both of the following officials:

(1) The county auditor.

(2) The county assessor.

(f) If ~~two (2) of these officials do~~ **the correction is** not ~~approve such a correction,~~ **approved under subsection (d) or (e),** the county auditor shall refer the matter to the county property tax assessment board of appeals for determination. The county property tax assessment board of appeals shall provide a copy of the determination to the taxpayer and to the county auditor.

~~(e)~~ **(g)** A taxpayer may appeal a determination of the county property tax assessment board of appeals to the Indiana board for a final administrative determination. An appeal under this section shall be conducted in the same manner as appeals under sections 4 through 8 of this chapter. The Indiana board shall send the final administrative determination to the taxpayer, the county auditor, the county assessor, and the township assessor.

~~(f)~~ **(h)** If a correction or change is made in the tax duplicate after it is delivered to the county treasurer, the county auditor shall transmit a certificate of correction to the county treasurer. The county treasurer shall keep the certificate as the voucher for settlement with the county auditor.

~~(g)~~ **(i)** A taxpayer that files a personal property tax return under IC 6-1.1-3 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's personal property tax return. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's personal property tax return, the taxpayer must instead file an amended personal property tax return under IC 6-1.1-3-7.5.

~~(h)~~ **(j)** A taxpayer that files a statement under IC 6-1.1-8-19 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's statement. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's statement, the taxpayer must instead initiate an objection under IC 6-1.1-8-28.

~~(i)~~ **(k)** A taxpayer that files a statement under IC 6-1.1-8-23 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's statement. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's statement, the taxpayer must instead file an amended statement not more than six (6) months after the due date of the statement.

SECTION 78. IC 6-1.1-15-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 14. In any

assessment review the assessing official **and** the county assessor ~~and the members of a county property tax assessment board of appeals~~ shall:

(1) use the department of local government finance's rules in effect; and

(2) consider the conditions and circumstances of the property as they existed;

on the original assessment date of the property under review.

SECTION 79. IC 6-1.1-15-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 16. Notwithstanding any provision in the 2002 Real Property Assessment Manual and Real Property Assessment Guidelines for 2002-Version A, incorporated by reference in 50 IAC 2.3-1-2, a county property tax assessment board of appeals or the Indiana board shall consider all evidence relevant to the assessment of real property regardless of whether the evidence was submitted to the ~~township~~ assessor before the assessment of the property.

SECTION 80. IC 6-1.1-17-0.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.5. (a) For purposes of this section, "assessed value" has the meaning set forth in IC 6-1.1-1-3(a).

(b) The county auditor may exclude and keep separate on the tax duplicate for taxes payable in a calendar year the assessed value of tangible property that meets the following conditions:

(1) The assessed value of the property is at least nine percent (9%) of the assessed value of all tangible property subject to taxation by a taxing unit. ~~(as defined in IC 6-1.1-1-21).~~

(2) The property is or has been part of a bankruptcy estate that is subject to protection under the federal bankruptcy code.

(3) The owner of the property has discontinued all business operations on the property.

(4) There is a high probability that the taxpayer will not pay property taxes due on the property in the following year.

(c) This section does not limit, restrict, or reduce in any way the property tax liability on the property.

(d) For each taxing unit located in the county, the county auditor may reduce for a calendar year the taxing unit's assessed value that is certified to the department of local government

finance under section 1 of this chapter and used to set tax rates for the taxing unit for taxes first due and payable in the immediately succeeding calendar year. The county auditor may reduce a taxing unit's assessed value under this subsection only to enable the taxing unit to absorb the effects of reduced property tax collections in the immediately succeeding calendar year that are expected to result from successful appeals of the assessed value of property located in the taxing unit. The county auditor shall keep separately on the tax duplicate the amount of any reductions made under this subsection. The maximum amount of the reduction authorized under this subsection is determined under subsection (e).

(e) The amount of the reduction in a taxing unit's assessed value for a calendar year under subsection (d) may not exceed the lesser of:

(1) two percent (2%) of the assessed value of tangible property subject to assessment in the taxing unit in that calendar year; or

(2) the total amount of reductions in the assessed value of tangible property subject to assessment in the taxing unit that:

(A) applied for the assessment date in the immediately preceding year; and

(B) resulted from successful appeals of the assessed value of the property.

(f) The amount of a reduction under subsection (d) may not be offered in a proceeding before the:

(1) county property tax assessment board of appeals;

(2) Indiana board; or

(3) Indiana tax court;

as evidence that a particular parcel has been improperly assessed.

SECTION 81. IC 6-1.1-17-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) On or before August 1 of each year, the county auditor shall send a certified statement, under the seal of the board of county commissioners, to the fiscal officer of each political subdivision of the county and the department of local government finance. The statement shall contain:

(1) information concerning the assessed valuation in the political subdivision for the next calendar year;

(2) an estimate of the taxes to be distributed to the political

subdivision during the last six (6) months of the current calendar year;

(3) the current assessed valuation as shown on the abstract of charges;

(4) the average growth in assessed valuation in the political subdivision over the preceding three (3) budget years, excluding years in which a general reassessment occurs, determined according to procedures established by the department of local government finance;

(5) the amount of the political subdivision's assessed valuation reduction determined under section 0.5(d) of this chapter; and

~~(5)~~ **(6)** any other information at the disposal of the county auditor that might affect the assessed value used in the budget adoption process.

(b) The estimate of taxes to be distributed shall be based on:

(1) the abstract of taxes levied and collectible for the current calendar year, less any taxes previously distributed for the calendar year; and

(2) any other information at the disposal of the county auditor which might affect the estimate.

(c) The fiscal officer of each political subdivision shall present the county auditor's statement to the proper officers of the political subdivision.

SECTION 82. IC 6-1.1-17-3, AS AMENDED BY P.L.234-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) **Before August 10 of a calendar year,** the proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy **for the immediately succeeding calendar year** on the form prescribed by the department of local government finance and approved by the state board of accounts.

(b) The ~~political subdivision~~ **county auditor** shall ~~give notice by publication~~ **mail** to ~~taxpayers~~ **the last known address** of **each person liable for any property taxes, as shown on the tax duplicate, or to the last known address of the most recent owner shown in the transfer book, a statement that includes:**

(1) the ~~estimated budget;~~ **assessed valuation as of the assessment date in the current calendar year of tangible property on which the person will be liable for property taxes first due and**

payable in the immediately succeeding calendar year and notice to the person of the opportunity to appeal the assessed valuation under IC 6-1.1-15-1(b);

(2) the estimated ~~maximum permissible levy,~~ **amount of property taxes for which the person will be liable to each political subdivision on the tangible property for taxes first due and payable in the immediately succeeding calendar year, taking into account all factors that affect that liability, including:**

(A) estimated budget and proposed tax rate and tax levy formulated by the political subdivision under subsection (a);

(B) any deductions or exemptions that apply to the assessed valuation of the tangible property;

(C) any credits that apply in the determination of the tax liability; and

(D) the county auditor's best estimate of the effects on the tax liability that might result from actions of the county board of tax adjustment or the department of local government finance;

~~(3) the current and proposed tax levies of each fund; and~~

~~(4) the amounts of excessive levy appeals to be requested.~~ **(3) a prominently displayed notation that:**

(A) the estimate under subdivision (2) is based on the best information available at the time the statement is mailed; and

(B) based on various factors, including potential actions by the county board of tax adjustment or the department of local government finance, it is possible that the tax liability as finally determined will differ substantially from the estimate; and

(4) comparative information showing the amount of property taxes for which the person is liable to each political subdivision on the tangible property for taxes first due and payable in the current year.

(c) The department of local government finance shall:

(1) prescribe a form for; and

(2) provide assistance to county auditors in preparing;

statements under subsection (b).

(d) In the ~~notice,~~ **statement under subsection (b),** the ~~political subdivision~~ **county auditor** shall also state the time and place at which **the political subdivision will hold** a public hearing ~~will be held~~ on ~~these items.~~ **the political subdivision's estimated budget and proposed tax rate and tax levy.** The ~~notice~~ **statement** shall be ~~published twice in accordance with IC 5-3-1 with the first publication~~ **mailed** at least ten (10) days before the date fixed for the public hearing.

~~(b)~~ **(e)** The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under ~~subsection (a).~~ **subsection (d):**

(1) in any county of the solid waste management district; and

(2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

~~(c)~~ **(f)** The trustee of each township in the county shall estimate the amount necessary to meet the cost of township assistance in the township for the ensuing calendar year. The township board shall adopt with the township budget a tax rate sufficient to meet the estimated cost of township assistance. The taxes collected as a result of the tax rate adopted under this subsection are credited to the township assistance fund.

~~(d) A county shall adopt with the county budget and the department of local government finance shall certify under section 16 of this chapter a tax rate sufficient to raise the levy necessary to pay the following:~~

~~(1) The cost of child services (as defined in IC 12-19-7-1) of the county payable from the family and children's fund.~~

~~(2) The cost of children's psychiatric residential treatment services (as defined in IC 12-19-7.5-1) of the county payable from the children's psychiatric residential treatment services fund.~~

~~A budget, tax rate, or tax levy adopted by a county fiscal body or approved or modified by a county board of tax adjustment that is less than the levy necessary to pay the costs described in subdivision (1) or (2) shall not be treated as a final budget, tax rate, or tax levy under section 11 of this chapter.~~

(g) A county auditor is not required to send the statement

described in subsection (b) to a mortgagee maintaining an escrow account for a person who is liable for any property taxes.

SECTION 83. IC 6-1.1-17-8.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 8.5. (a) If a county auditor reduces a taxing unit's assessed valuation under section 0.5(d) of this chapter, the department of local government finance shall, in the manner prescribed in section 16 of this chapter, review the budget, tax rate, and tax levy of the taxing unit.**

(b) The county auditor may appeal to the department of local government finance to reduce a taxing unit's assessed valuation by an amount that exceeds the limits set forth in section 0.5(e) of this chapter. The department of local government finance:

(1) may require the county auditor to submit supporting information with the county auditor's appeal;

(2) shall consider the appeal at the time of the review required by subsection (a); and

(3) may approve, modify and approve, or reject the amount of the reduction sought in the appeal.

SECTION 84. IC 6-1.1-17-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The county board of tax adjustment shall complete the duties assigned to it under this chapter on or before October 1st of each year, except that in a consolidated city and county and in a county containing a second class city, the duties of this board need not be completed until November 1 of each year.

(b) If the county board of tax adjustment fails to complete the duties assigned to it within the time prescribed in this section or to reduce aggregate tax rates so that they do not exceed the maximum rates permitted under IC 6-1.1-18, the county auditor shall calculate and fix the tax rate within each political subdivision of the county so that the maximum rate permitted under IC 6-1.1-18 is not exceeded.

(c) When the county auditor calculates and fixes tax rates, ~~he~~ **the auditor** shall send a certificate notice of the rate ~~he has~~ fixed to each political subdivision of the county. ~~He~~ **If a rate determined under IC 6-1.1-22-2.5 applies, the county auditor shall include that rate in the notice. The county auditor** shall send these notices within five (5) days after publication of the notice required by section 12 of this

chapter.

(d) When the county auditor calculates and fixes tax rates, ~~his~~ **the auditor's** action shall be treated as if it were the action of the county board of tax adjustment.

SECTION 85. IC 6-1.1-17-14, AS AMENDED BY P.L.234-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 14. The county auditor shall initiate an appeal to the department of local government finance if the county fiscal body or the county board of tax adjustment reduces

~~(1)~~ a township assistance tax rate below the rate necessary to meet the estimated cost of township assistance.

~~(2) a family and children's fund tax rate below the rate necessary to collect the levy recommended by the department of child services; or~~

~~(3) a children's psychiatric residential treatment services fund tax rate below the rate necessary to collect the levy recommended by the department of child services.~~

SECTION 86. IC 6-1.1-17-16, AS AMENDED BY P.L.228-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) Subject to the limitations and requirements prescribed in this section, the department of local government finance may revise, reduce, or increase a political subdivision's budget by fund, tax rate, or tax levy which the department reviews under section 8 or 10 of this chapter.

(b) Subject to the limitations and requirements prescribed in this section, the department of local government finance may review, revise, reduce, or increase the budget by fund, tax rate, or tax levy of any of the political subdivisions whose tax rates compose the aggregate tax rate within a political subdivision whose budget, tax rate, or tax levy is the subject of an appeal initiated under this chapter.

(c) Except as provided in subsections (j) and (k), before the department of local government finance reviews, revises, reduces, or increases a political subdivision's budget by fund, tax rate, or tax levy under this section, the department must hold a public hearing on the budget, tax rate, and tax levy. The department of local government finance shall hold the hearing in the county in which the political subdivision is located. The department of local government finance may consider the budgets by fund, tax rates, and tax levies of several

political subdivisions at the same public hearing. At least five (5) days before the date fixed for a public hearing, the department of local government finance shall give notice of the time and place of the hearing and of the budgets by fund, levies, and tax rates to be considered at the hearing. The department of local government finance shall publish the notice in two (2) newspapers of general circulation published in the county. However, if only one (1) newspaper of general circulation is published in the county, the department of local government finance shall publish the notice in that newspaper.

(d) Except as provided in subsection (i), IC 6-1.1-19, or IC 6-1.1-18.5, the department of local government finance may not increase a political subdivision's budget by fund, tax rate, or tax levy to an amount which exceeds the amount originally fixed by the political subdivision. The department of local government finance shall give the political subdivision written notification specifying any revision, reduction, or increase the department proposes in a political subdivision's tax levy or tax rate. The political subdivision has one (1) week from the date the political subdivision receives the notice to provide a written response to the department of local government finance's Indianapolis office specifying how to make the required reductions in the amount budgeted by fund. The department of local government finance shall make reductions as specified in the political subdivision's response if the response is provided as required by this subsection and sufficiently specifies all necessary reductions. The department of local government finance may make a revision, a reduction, or an increase in a political subdivision's budget only by fund.

(e) The department of local government finance may not approve a levy for lease payments by a city, town, county, library, or school corporation if the lease payments are payable to a building corporation for use by the building corporation for debt service on bonds and if:

(1) no bonds of the building corporation are outstanding; or

(2) the building corporation has enough legally available funds on hand to redeem all outstanding bonds payable from the particular lease rental levy requested.

(f) The department of local government finance shall certify its action to:

(1) the county auditor;

(2) the political subdivision if the department acts pursuant to an appeal initiated by the political subdivision;

(3) the first ten (10) taxpayers whose names appear on a petition filed under section 13 of this chapter; and

(4) a taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

(g) The following may petition for judicial review of the final determination of the department of local government finance under subsection (f):

(1) If the department acts under an appeal initiated by a political subdivision, the political subdivision.

(2) If the department acts under an appeal initiated by taxpayers under section 13 of this chapter, a taxpayer who signed the petition under that section.

(3) If the department acts under an appeal initiated by the county auditor under section 14 of this chapter, the county auditor.

(4) A taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

The petition must be filed in the tax court not more than forty-five (45) days after the department certifies its action under subsection (f).

(h) The department of local government finance is expressly directed to complete the duties assigned to it under this section not later than February 15th of each year for taxes to be collected during that year.

(i) Subject to the provisions of all applicable statutes, the department of local government finance may increase a political subdivision's tax levy to an amount that exceeds the amount originally fixed by the political subdivision if the increase is:

(1) requested in writing by the officers of the political subdivision;

(2) either:

(A) based on information first obtained by the political subdivision after the public hearing under section 3 of this chapter; or

(B) results from an inadvertent mathematical error made in determining the levy; and

(3) published by the political subdivision according to a notice provided by the department.

(j) The department of local government finance shall annually review the budget by fund of each school corporation not later than April 1. The department of local government finance shall give the school corporation written notification specifying any revision, reduction, or increase the department proposes in the school corporation's budget by fund. A public hearing is not required in connection with this review of the budget.

(k) The department of local government finance may hold a hearing under subsection (c) only if the notice required in IC 6-1.1-17-12 is published at least ten (10) days before the date of the hearing.

(l) The department of local government finance may not certify a taxing unit's budget, tax rate, or tax levy if the department of local government finance determines that the county auditor has reduced the taxing unit's assessed valuation by more than the amount authorized under section 0.5(e) or 8.5(b) of this chapter.

SECTION 87. IC 6-1.1-18-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. (a) Except as provided in subsection (b), the sum of all tax rates for all political subdivisions imposed on tangible property within a political subdivision may not exceed:

(1) forty-one and sixty-seven hundredths cents ($0.4167) on each one hundred dollars ($100) of assessed valuation in territory outside the corporate limits of a city or town; or

(2) sixty-six and sixty-seven hundredths cents ($0.6667) on each one hundred dollars ($100) of assessed valuation in territory inside the corporate limits of a city or town.

(b) The proper officers of a political subdivision shall fix tax rates which are sufficient to provide funds for the purposes itemized in this subsection. The portion of a tax rate fixed by a political subdivision shall not be considered in computing the tax rate limits prescribed in subsection (a) if that portion is to be used for one (1) of the following purposes:

(1) To pay the principal or interest on a funding, refunding, or judgment funding obligation of the political subdivision.

(2) To pay the principal or interest on an outstanding obligation issued by the political subdivision if notice of the sale of the obligation was published before March 9, 1937.

(3) To pay the principal or interest upon:

(A) an obligation issued by the political subdivision to meet an emergency which results from a flood, fire, pestilence, war, or any other major disaster; or

(B) a note issued under IC 36-2-6-18, IC 36-3-4-22, IC 36-4-6-20, or IC 36-5-2-11 to enable a city, town, or county to acquire necessary equipment or facilities for municipal or county government.

(4) To pay the principal or interest upon an obligation issued in the manner provided in IC 6-1.1-20-3 (before its repeal) or IC 6-1.1-20-3.1 through IC 6-1.1-20-3.2.

(5) To pay a judgment rendered against the political subdivision.

(6) To meet the requirements of the ~~family and children's fund~~ **child welfare fund** for:

(A) child services (as defined in IC 12-19-7-1); **or**

(B) children's psychiatric residential treatment services (as defined in IC 12-19-7.5-1).

(7) To meet the requirements of the county hospital care for the indigent fund.

~~(8) To meet the requirements of the children's psychiatric residential treatment services fund for children's psychiatric residential treatment services (as defined in IC 12-19-7.5-1).~~

(c) Except as otherwise provided in IC 6-1.1-19 or IC 6-1.1-18.5, a county board of tax adjustment, a county auditor, or the department of local government finance may review the portion of a tax rate described in subsection (b) only to determine if it exceeds the portion actually needed to provide for one (1) of the purposes itemized in that subsection.

SECTION 88. IC 6-1.1-18.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter:

"Ad valorem property tax levy for an ensuing calendar year" means the total property taxes imposed by a civil taxing unit for current property taxes collectible in that ensuing calendar year.

"Adopting county" means any county in which the county adjusted gross income tax is in effect.

"Civil taxing unit" means any taxing unit except a school corporation.

"Maximum permissible ad valorem property tax levy for the

preceding calendar year" means the **greater of the:**

(1) civil taxing unit's maximum permissible ad valorem property tax levy for the calendar year immediately preceding the ensuing calendar year, as that levy was determined under section 3 of this chapter; or

(2) civil taxing unit's ad valorem property tax levy for the calendar year immediately preceding the ensuing calendar year, as that levy was determined by the department of local government finance in fixing the civil taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17, and after eliminating the effects of temporary excessive levy appeals and temporary adjustments made to the working maximum levy for the calendar year immediately preceding the ensuing calendar year, as determined by the department of local government finance.

"Taxable property" means all tangible property that is subject to the tax imposed by this article and is not exempt from the tax under IC 6-1.1-10 or any other law. For purposes of sections 2 and 3 of this chapter, the term "taxable property" is further defined in section 6 of this chapter.

"Unadjusted assessed value" means the assessed value of a civil taxing unit as determined by local assessing officials and the department of local government finance in a particular calendar year before the application of an annual adjustment under IC 6-1.1-4-4.5 for that particular calendar year or any calendar year since the last general reassessment preceding the particular calendar year.

SECTION 89. IC 6-1.1-18.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit if the civil taxing unit is committed to levy the taxes to pay or fund either:

(1) bonded indebtedness; or

(2) lease rentals under a lease with an original term of at least five (5) years.

(b) A civil taxing unit must file a petition requesting approval from the department of local government finance to incur bonded indebtedness or execute a lease with an original term of at least five (5) years not later than twenty-four (24) months after the first date of publication of notice of a preliminary determination under

~~IC 6-1.1-20-3.1(2),~~ **IC 6-1.1-20-3.1(b)(2) or IC 6-1.1-20-3.5(b)(2), whichever is applicable,** unless the civil taxing unit demonstrates that a longer period is reasonable in light of the civil taxing unit's facts and circumstances. A civil taxing unit must obtain approval from the department of local government finance before the civil taxing unit may:

(1) incur the bonded indebtedness; or

(2) enter into the lease.

The department of local government finance may seek recommendations from the local government tax control board established by section 11 of this chapter when determining whether to authorize incurring the bonded indebtedness or the execution of the lease.

(c) The department of local government finance shall render a decision within three (3) months after the date it receives a request for approval under subsection (b). However, the department of local government finance may extend this three (3) month period by an additional three (3) months if, at least ten (10) days before the end of the original three (3) month period, the department sends notice of the extension to the executive officer of the civil taxing unit. A civil taxing unit may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than forty-five (45) days after the department enters its order under this section.

(d) A civil taxing unit does not need approval under subsection (b) to obtain temporary loans made in anticipation of and to be paid from current revenues of the civil taxing unit actually levied and in the course of collection for the fiscal year in which the loans are made.

(e) For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a calendar year does not include that part of its levy that is committed to fund or pay bond indebtedness or lease rentals with an original term of five (5) years in subsection (a).

(f) A taxpayer may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than thirty (30) days after the department enters its order under this section.

SECTION 90. IC 6-1.1-18.5-9.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 9.7. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed under any of the following:

(1) IC 12-16, except IC 12-16-1.

~~(2) IC 12-19-5.~~

~~(3)~~ **(2)** IC 12-19-7.

~~(4) IC 12-19-7.5.~~

~~(5)~~ **(3)** IC 12-20-24.

(b) For purposes of computing the ad valorem property tax levy limits imposed under section 3 of this chapter, a county's or township's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under the citations listed in subsection (a).

(c) Section 8(b) of this chapter does not apply to bonded indebtedness that will be repaid through property taxes imposed under IC 12-19.

SECTION 91. IC 6-1.1-19-8, AS AMENDED BY P.L.1-2005, SECTION 90, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) A school corporation must file a petition requesting approval from the department of local government finance to incur bond indebtedness, enter into a lease rental agreement, or repay from the debt service fund loans made for the purchase of school buses under IC 20-27-4-5 not later than twenty-four (24) months after the first date of publication of notice of a preliminary determination under ~~IC 6-1.1-20-3.1(2),~~ **IC 6-1.1-20-3.1(b)(2) or IC 6-1.1-20-3.5(b)(2), whichever is applicable,** unless the school corporation demonstrates that a longer period is reasonable in light of the school corporation's facts and circumstances. A school corporation must obtain approval from the department of local government finance before the school corporation may:

(1) incur the indebtedness;

(2) enter into the lease agreement; or

(3) repay the school bus purchase loan.

This restriction does not apply to ad valorem property taxes which a school corporation levies to pay or fund bond or lease rental indebtedness created or incurred before July 1, 1974.

(b) The department of local government finance may either approve, disapprove, or modify then approve a school corporation's proposed lease rental agreement, bond issue or school bus purchase loan. Before it approves or disapproves a proposed lease rental agreement, bond issue or school bus purchase loan, the department of local government finance may seek the recommendation of the tax control board.

(c) The department of local government finance shall render a decision not more than three (3) months after the date it receives a request for approval under subsection (a). However, the department of local government finance may extend this three (3) month period by an additional three (3) months if, at least ten (10) days before the end of the original three (3) month period, the department sends notice of the extension to the executive officer of the school corporation. A school corporation may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than forty-five (45) days after the department enters its order under this section.

(d) ~~After December 31, 1995,~~ The department of local government finance may not approve a school corporation's proposed lease rental agreement or bond issue to finance the construction of additional classrooms unless the school corporation first:

(1) establishes that additional classroom space is necessary; and

(2) conducts a feasibility study, holds public hearings, and hears public testimony on using a twelve (12) month school term (instead of the nine (9) month school term (as defined in IC 20-30-2-7)) rather than expanding classroom space.

(e) This section does not apply to school bus purchase loans made by a school corporation which will be repaid solely from the general fund of the school corporation.

(f) A taxpayer may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than thirty (30) days after the department enters its order under this section.

SECTION 92. IC 6-1.1-20-3.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3.1. **(a) This section applies only to a controlled project that will cost a political subdivision less than ten million dollars ($10,000,000).**

(b) A political subdivision may not impose property taxes to pay

debt service or lease rentals without completing the following procedures:

(1) The proper officers of a political subdivision shall:

(A) publish notice in accordance with IC 5-3-1; and

(B) send notice by first class mail to any organization that delivers to the officers, before January 1 of that year, an annual written request for such notices;

of any meeting to consider adoption of a resolution or an ordinance making a preliminary determination to issue bonds or enter into a lease and shall conduct a public hearing on a preliminary determination before adoption of the resolution or ordinance.

(2) When the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the organizations described in subdivision (1)(B).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.

(E) A statement that any owners of real property within the political subdivision who want to initiate a petition and remonstrance process against the proposed debt service or lease payments must file a petition that complies with subdivisions (4) and (5) not later than thirty (30) days after publication in accordance with IC 5-3-1.

(F) With respect to bonds issued or a lease entered into to open:

(i) a new school facility; or

(ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide

additional classroom space;

the estimated costs the school corporation expects to incur annually to operate the facility.

(G) A statement of whether the school corporation expects to appeal as described in IC 6-1.1-19-4.4(a)(4) for an increased adjusted base levy to pay the estimated costs described in clause (F).

(4) After notice is given, a petition requesting the application of a petition and remonstrance process may be filed by the lesser of:

(A) one hundred (100) owners of real property within the political subdivision; or

(B) five percent (5%) of the owners of real property within the political subdivision.

(5) The state board of accounts shall design and, upon request by the county auditor, deliver to the county auditor or the county auditor's designated printer the petition forms to be used solely in the petition process described in this section. The county auditor shall issue to an owner or owners of real property within the political subdivision the number of petition forms requested by the owner or owners. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of real property;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.

Persons requesting forms may not be required to identify themselves and may be allowed to pick up additional copies to distribute to other property owners.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county auditor under subdivision (7).

(7) Each petition must be filed with the county auditor not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county auditor must file a certificate and each petition

with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or

(B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

within fifteen (15) business days of the filing of the petition requesting a petition and remonstrance process. The certificate must state the number of petitioners that are owners of real property within the political subdivision.

(c) If a sufficient petition requesting a petition and remonstrance process is not filed by owners of real property as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

SECTION 93. IC 6-1.1-20-3.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3.2. **(a) This section applies only to a controlled project that is subject to section 3.1 of this chapter.**

(b) If a sufficient petition requesting the application of a petition and remonstrance process has been filed as set forth in section 3.1 of this chapter, a political subdivision may not impose property taxes to pay debt service or lease rentals without completing the following procedures:

(1) The proper officers of the political subdivision shall give notice of the applicability of the petition and remonstrance process by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the organizations described in ~~section 3.1(1)(B)~~ **section 3.1(b)(1)(B)** of this chapter.

A notice under this subdivision must include a statement that any owners of real property within the political subdivision who want to petition in favor of or remonstrate against the proposed debt service or lease payments must file petitions and remonstrances in compliance with subdivisions (2) through (4) not earlier than thirty (30) days or later than sixty (60) days after publication in accordance with IC 5-3-1.

(2) Not earlier than thirty (30) days or later than sixty (60) days after the notice under subdivision (1) is given:

(A) petitions (described in subdivision (3)) in favor of the bonds or lease; and

(B) remonstrances (described in subdivision (3)) against the bonds or lease;

may be filed by an owner or owners of real property within the political subdivision. Each signature on a petition must be dated and the date of signature may not be before the date on which the petition and remonstrance forms may be issued under subdivision (3). A petition described in clause (A) or a remonstrance described in clause (B) must be verified in compliance with subdivision (4) before the petition or remonstrance is filed with the county auditor under subdivision (4).

(3) The state board of accounts shall design and, upon request by the county auditor, deliver to the county auditor or the county auditor's designated printer the petition and remonstrance forms to be used solely in the petition and remonstrance process described in this section. The county auditor shall issue to an owner or owners of real property within the political subdivision the number of petition or remonstrance forms requested by the owner or owners. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of real property;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature;

(D) govern the closing date for the petition and remonstrance period; and

(E) apply to the carrier under section 10 of this chapter.

Persons requesting forms may not be required to identify themselves and may be allowed to pick up additional copies to distribute to other property owners. The county auditor may not issue a petition or remonstrance form earlier than twenty-nine (29) days after the notice is given under subdivision (1). The county auditor shall certify the date of issuance on each petition or remonstrance form that is distributed under this subdivision.

(4) The petitions and remonstrances must be verified in the manner prescribed by the state board of accounts and filed with the county auditor within the sixty (60) day period described in subdivision (2) in the manner set forth in section 3.1 of this chapter relating to requests for a petition and remonstrance process.

(5) The county auditor must file a certificate and the petition or remonstrance with the body of the political subdivision charged with issuing bonds or entering into leases within fifteen (15) business days of the filing of a petition or remonstrance under subdivision (4), whichever applies, containing ten thousand (10,000) signatures or less. The county auditor may take an additional five (5) days to review and certify the petition or remonstrance for each additional five thousand (5,000) signatures up to a maximum of sixty (60) days. The certificate must state the number of petitioners and remonstrators that are owners of real property within the political subdivision.

(6) If a greater number of owners of real property within the political subdivision sign a remonstrance than the number that signed a petition, the bonds petitioned for may not be issued or the lease petitioned for may not be entered into. The proper officers of the political subdivision may not make a preliminary determination to issue bonds or enter into a lease for the controlled project defeated by the petition and remonstrance process under this section or any other controlled project that is not substantially different within one (1) year after the date of the county auditor's certificate under subdivision (5). Withdrawal of a petition carries the same consequences as a defeat of the petition.

(7) After a political subdivision has gone through the petition and remonstrance process set forth in this section, the political subdivision is not required to follow any other remonstrance or objection procedures under any other law (including section 5 of this chapter) relating to bonds or leases designed to protect owners of real property within the political subdivision from the imposition of property taxes to pay debt service or lease rentals. However, the political subdivision must still receive the approval of the department of local government finance required by

IC 6-1.1-18.5-8 or IC 6-1.1-19-8.

SECTION 94. IC 6-1.1-20-3.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 3.5. (a) This section applies only to a controlled project:**

(1) that will cost a political subdivision at least ten million dollars ($10,000,000); and

(2) for which the proper officers of the political subdivision make a preliminary determination to issue bonds or enter into a lease after June 30, 2006.

(b) A political subdivision may not impose property taxes to pay debt service or lease rentals without completing the following procedures:

(1) The proper officers of a political subdivision shall:

(A) publish notice in accordance with IC 5-3-1; and

(B) send notice by first class mail to any organization that delivers to the officers, before January 1 of that year, an annual written request for notices;

of any meeting to consider the adoption of an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease and shall conduct a public hearing on a preliminary determination before adoption of the ordinance or resolution.

(2) Whenever the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the organizations described in subdivision (1)(B).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.

(E) A statement that the proposed debt service or lease rental must be approved in an election on a local public question held under section 3.6 of this chapter if a petition is filed as described in subdivision (4).

(F) With respect to bonds issued or a lease entered into to open:

(i) a new school facility; or

(ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;

the estimated costs the school corporation expects to annually incur to operate the facility.

(G) A statement of whether the school corporation expects to appeal as described in IC 6-1.1-19-4.4(a)(4) for an increased adjusted base levy to pay the estimated costs described in clause (F).

(4) After notice is given under subdivision (2), a petition requesting an election on a local public question under section 3.6 of this chapter may be filed by the lesser of:

(A) five hundred (500) owners of real property within the political subdivision; or

(B) five percent (5%) of the owners of real property within the political subdivision.

(5) The state board of accounts shall design and, upon request by the county auditor, deliver to the county auditor or the county auditor's designated printer the petition forms to be used solely in the petition process described in this section. The county auditor shall issue to an owner or owners of real property within the political subdivision the number of petition forms requested by the owner or owners. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of real property;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier

must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.

Persons requesting forms may not be required to identify themselves and may be allowed to pick up additional copies to distribute to other property owners.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county auditor under subdivision (7).

(7) Each petition must be filed with the county auditor not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county auditor must file a certificate and each petition with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or

(B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

within fifteen (15) business days of the filing of the petition requesting an election on a local public question under section 3.6 of this chapter. The certificate must state the number of petitioners that are owners of real property within the political subdivision.

(c) If a sufficient petition requesting an election on a local public question under section 3.6 of this chapter is not filed by owners of real property as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

SECTION 95. IC 6-1.1-20-3.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 3.6. (a) This section applies only to a controlled project that is subject to section 3.5 of this chapter.**

(b) If a sufficient petition requesting an election on a local public question under this section is filed by owners of real property under section 3.5 of this chapter, a political subdivision may not

impose property taxes to pay debt service or lease rentals unless the political subdivision's proposed debt service or lease rental is approved in an election on a local public question held under this section.

(c) The following question shall be submitted to the voters at the election conducted under this section:

"Shall _____ (insert the name of the political subdivision) issue bonds or enter a lease to finance _____ (insert the name of the controlled project)?".

(d) The county auditor shall, under IC 3-10-9-3, certify the public question described in subsection (c) to the county election board of the county that contains the greatest percentage of population of the political subdivision. After the public question is certified, the public question shall be placed on the ballot at the next general election in which all voters of the political subdivision are entitled to vote.

(e) The circuit court clerk shall certify the results of the public question to the following:

(1) The county auditor of each county in which the political subdivision is located.

(2) The department of local government finance.

(f) If a majority of the voters voting on the public question vote in favor of the public question, the department of local government finance shall take prompt and appropriate steps to notify the political subdivision that the political subdivision may issue the proposed bonds or enter into the proposed lease rental.

(g) If a majority of the voters voting on the public question vote in opposition to the public question, both of the following apply:

(1) The political subdivision may not issue the proposed bonds or enter into the proposed lease rental.

(2) Another public question under this section on the same or a substantially similar project may not be submitted to the voters earlier than one (1) year after the date of the election.

(h) IC 3, to the extent not inconsistent with this section, applies to an election held under this section.

SECTION 96. IC 6-1.1-20-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. (a) When the proper officers of a political subdivision decide to issue bonds payable from

property taxes to finance a public improvement, they shall adopt an ordinance or resolution which sets forth their determination to issue the bonds. Except as provided in subsection (b), the political subdivision may not advertise for or receive bids for the construction of the improvement until ~~the expiration of the latter of:~~ **after:**

(1) **the expiration of** the ~~time~~ period within which taxpayers may file a petition for review of or a remonstrance against the proposed issue **if the proposed issue is subject to section 3.1 of this chapter;**

(2) the expiration of the period within which taxpayers may file a petition for an election on a local public question with respect to the proposed issue if:

(A) the proposed issue is subject to section 3.5 of this chapter; and

(B) a timely petition is not filed under section 3.5 of this chapter;

(3) the proposed issue is approved in an election on a local public question held under section 3.6 of this chapter if:

(A) the proposed issue is subject to section 3.5 of this chapter; and

(B) a timely petition is filed under section 3.5 of this chapter; or

~~(2)~~ **(4)** the ~~time~~ period during which a petition for review of the proposed issue is pending before the department of local government finance.

(b) When a petition for review of a proposed issue is pending before the department of local government finance, the department may order the political subdivision to advertise for and receive bids for the construction of the public improvement. When the department of local government finance issues such an order, the political subdivision shall file a bid report with the department within five (5) days after the bids are received, and the department shall render a final decision on the proposed issue within fifteen (15) days after it receives the bid report. Notwithstanding the provisions of this subsection, a political subdivision may not enter into a contract for the construction of a public improvement while a petition for review of the bond issue which is to finance the improvement is pending before the department of local government finance.

SECTION 97. IC 6-1.1-20-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 10. (a) **This section applies** if:

(1) a petition and remonstrance process is commenced under section 3.2 of this chapter; **or**

(2) a public question is certified to the county election board under section 3.6(d) of this chapter.

(b) During the sixty (60) day period commencing with the notice under ~~section 3.2(1)~~ **section 3.2(b)(1)** of this chapter **(in the case of a controlled project subject to section 3.2 of this chapter) or during the period after a public question is certified to the county election board under section 3.6(d) of this chapter (in the case of a controlled project subject to section 3.6 of this chapter),** the political subdivision seeking to issue bonds or enter into a lease for the proposed controlled project may not promote a position on the petition or remonstrance **or public question** by doing any of the following:

(1) Allowing facilities or equipment, including mail and messaging systems, owned by the political subdivision to be used for public relations purposes to promote a position on the petition or remonstrance **or public question,** unless equal access to the facilities or equipment is given to persons with a position opposite to that of the political subdivision.

(2) Making an expenditure of money from a fund controlled by the political subdivision to promote a position on the petition or remonstrance **or public question** (except as necessary to explain the project to the public) or to pay for the gathering of signatures on a petition or remonstrance. This subdivision does not prohibit a political subdivision from making an expenditure of money to an attorney, an architect, a construction manager, or a financial adviser for professional services provided with respect to a controlled project.

(3) Using an employee to promote a position on the petition or remonstrance **or public question** during the employee's normal working hours or paid overtime.

(4) In the case of a school corporation, promoting a position on a petition or remonstrance **or public question** by:

(A) using students to transport written materials to their residences; or

(B) including a statement within another communication sent to the students' residences.

However, this section does not prohibit an employee of the political subdivision from carrying out duties with respect to a petition or remonstrance **or public question** that are part of the normal and regular conduct of the employee's office or agency.

~~(b)~~ **(c)** A person may not solicit or collect signatures for a petition or remonstrance on property owned or controlled by the political subdivision.

SECTION 98. IC 6-1.1-20.6-7, AS ADDED BY P.L.246-2005, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. ~~If the~~ **A person is entitled to a** credit under this chapter ~~is authorized under section 2 of this chapter~~ for property taxes first due and payable in a calendar year:

(1) ~~a person is entitled to a credit~~ against the person's property tax liability for property taxes first due and payable in that calendar year attributable to the person's ~~qualified residential property~~ **homestead** located in the county; and

(2) ~~the amount of the credit is~~ **in** the amount by which the person's property tax liability attributable to the person's ~~qualified residential property~~ **homestead** for property taxes first due and payable in that calendar year exceeds two percent (2%) of the gross assessed value that is the basis for determination of property taxes on the ~~qualified residential property~~ **homestead** for property taxes first due and payable in that calendar year.

SECTION 99. IC 6-1.1-20.6-8, AS ADDED BY P.L.246-2005, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. A person is not required to file an application for the credit under this chapter. The county auditor shall:

(1) identify ~~qualified residential property~~ **homesteads** in the county eligible for the credit under this chapter; and

(2) apply the credit under this chapter to property tax liability on the identified ~~qualified residential property.~~ **homesteads.**

SECTION 100. IC 6-1.1-20.6-9, AS ADDED BY P.L.246-2005, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. ~~(a) The fiscal body of a county may adopt an ordinance to authorize the county fiscal officer to~~

~~borrow money repayable over a term not to exceed five (5) years in an amount sufficient to compensate the political subdivisions located wholly or in part in the county for the reduction of property tax collections in a calendar year that results from the application of the credit under this chapter for that calendar year.~~

~~(b) The county fiscal officer shall distribute in a calendar year to each political subdivision located wholly or in part in the county loan proceeds under subsection (a) for that calendar year in the amount by which the property tax collections of the political subdivision in that calendar year are reduced as a result of the application of the credit under this chapter for that calendar year.~~

~~(c) If the county fiscal officer distributes money to political subdivisions under subsection (b), the political subdivisions that receive the distributions shall repay the loan under subsection (a) over the term of the loan. Each political subdivision that receives a distribution under subsection (b):~~

~~(1) shall:~~

~~(A) appropriate for each year in which the loan is to be repaid an amount sufficient to pay the part of the principal and interest on the loan attributable to the distribution received by the political subdivision under subsection (b); and~~

~~(B) raise property tax revenue in each year in which the loan is to be repaid in the amount necessary to meet the appropriation under clause (A); and~~

~~(2) other than the county, shall transfer to the county fiscal officer money dedicated under this section to repayment of the loan in time to allow the county to meet the loan repayment schedule.~~

~~(d) Property taxes imposed under subsection (c)(1)(B) are subject to levy limitations under IC 6-1.1-18.5 or IC 6-1.1-19.~~

~~(e) The obligation to:~~

~~(1) repay; or~~

~~(2) contribute to the repayment of;~~

~~the loan under subsection (a) is not a basis for a political subdivision to obtain an excessive tax levy under IC 6-1.1-18.5 or IC 6-1.1-19.~~

~~(f)~~ **(a)** The application of the credit under this chapter results in a reduction of the property tax collections of each political subdivision in which the credit is applied. A political subdivision may not increase its property tax levy to make up for that reduction.

(b) The county auditor shall in each calendar year notify each political subdivision in which the credit under this chapter is applied of the reduction referred to in subsection (a) for the political subdivision for that year.

SECTION 101. IC 6-1.1-21-2, AS AMENDED BY P.L.1-2005, SECTION 92, AND AS AMENDED BY P.L.246-2005, SECTION 64, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 2. As used in this chapter:

(a) "Taxpayer" means a person who is liable for taxes on property assessed under this article.

(b) "Taxes" means property taxes payable in respect to property assessed under this article. The term does not include special assessments, penalties, or interest, but does include any special charges which a county treasurer combines with all other taxes in the preparation and delivery of the tax statements required under IC 6-1.1-22-8(a).

(c) "Department" means the department of state revenue.

(d) "Auditor's abstract" means the annual report prepared by each county auditor which under IC 6-1.1-22-5 is to be filed on or before March 1 of each year with the auditor of state.

(e) "Mobile home assessments" means the assessments of mobile homes made under IC 6-1.1-7.

(f) "Postabstract adjustments" means adjustments in taxes made subsequent to the filing of an auditor's abstract which change assessments therein or add assessments of omitted property affecting taxes for such assessment year.

(g) "Total county tax levy" means the sum of:

(1) the remainder of:

(A) the aggregate levy of all taxes for all taxing units in a county which are to be paid in the county for a stated assessment year as reflected by the auditor's abstract for the assessment year, adjusted, however, for any postabstract adjustments which change the amount of the aggregate levy; minus

(B) the sum of any increases in property tax levies of taxing units of the county that result from appeals described in:

(i) IC 6-1.1-18.5-13(4) and IC 6-1.1-18.5-13(5) filed after December 31, 1982; plus

(ii) the sum of any increases in property tax levies of taxing units of the county that result from any other appeals described in IC 6-1.1-18.5-13 filed after December 31, 1983; plus

(iii) IC 6-1.1-18.6-3 (children in need of services and delinquent children who are wards of the county) **(before its repeal);** minus

(C) the total amount of property taxes imposed for the stated assessment year by the taxing units of the county under the authority of IC 12-1-11.5 (repealed), IC 12-2-4.5 (repealed), IC 12-19-5 **(repealed),** or IC 12-20-24; minus

(D) the total amount of property taxes to be paid during the stated assessment year that will be used to pay for interest or principal due on debt that:

(i) is entered into after December 31, 1983;

(ii) is not debt that is issued under IC 5-1-5 to refund debt incurred before January 1, 1984; and

(iii) does not constitute debt entered into for the purpose of building, repairing, or altering school buildings for which the requirements of IC 20-5-52 *(repealed)* were satisfied prior to January 1, 1984; minus

(E) the amount of property taxes imposed in the county for the stated assessment year under the authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus

(F) the remainder of:

(i) the total property taxes imposed in the county for the stated assessment year under authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was not initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus

(ii) the total property taxes imposed in the county for the 1984 stated assessment year under the authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was not

initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus

(G) the amount of property taxes imposed in the county for the stated assessment year under:

(i) IC 21-2-15 for a capital projects fund; plus

(ii) IC 6-1.1-19-10 for a racial balance fund; plus

(iii) ~~*IC 20-14-13*~~ *IC 36-12-12* for a library capital projects fund; plus

(iv) ~~*IC 20-5-17.5-3*~~ *IC 36-10-13-7* for an art association fund; plus

(v) IC 21-2-17 for a special education preschool fund; plus

(vi) IC 21-2-11.6 for a referendum tax levy fund; plus

(vii) an appeal filed under IC 6-1.1-19-5.1 for an increase in a school corporation's maximum permissible general fund levy for certain transfer tuition costs; plus

(viii) an appeal filed under IC 6-1.1-19-5.4 for an increase in a school corporation's maximum permissible ~~general~~ **transportation** fund levy for transportation operating costs; minus

(H) the amount of property taxes imposed by a school corporation that is attributable to the passage, after 1983, of a referendum for an excessive tax levy under IC 6-1.1-19, including any increases in these property taxes that are attributable to the adjustment set forth in IC 6-1.1-19-1.5 or any other law; minus

(I) for each township in the county, the lesser of:

(i) the sum of the amount determined in IC 6-1.1-18.5-19(a) STEP THREE **(as effective January 1, 1990)** or IC 6-1.1-18.5-19(b) STEP THREE **(as effective January 1, 1990),** whichever is applicable, plus the part, if any, of the township's ad valorem property tax levy for calendar year 1989 that represents increases in that levy that resulted from an appeal described in IC 6-1.1-18.5-13(4) **(as effective before January 1, 1989),** filed after December 31, 1982; or

(ii) the amount of property taxes imposed in the township for the stated assessment year under the authority of IC 36-8-13-4; minus

(J) for each participating unit in a fire protection territory

established under IC 36-8-19-1, the amount of property taxes levied by each participating unit under IC 36-8-19-8 and IC 36-8-19-8.5 less the maximum levy limit for each of the participating units that would have otherwise been available for fire protection services under IC 6-1.1-18.5-3 and IC 6-1.1-18.5-19 for that same year; minus

(K) for each county the sum of:

(i) the amount of property taxes imposed in the county for the repayment of loans under IC 12-19-5-6 (repealed) that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN **(as effective January 1, 2005)** for property taxes payable in 1995, or for property taxes payable in each year after 1995, the amount determined under ~~IC 12-19-7-4(b),~~ **IC 12-19-7-4;** and

(ii) the amount of property taxes imposed in the county attributable to appeals granted under IC 6-1.1-18.6-3 **(before its repeal)** that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN **(as effective January 1, 2005)** for property taxes payable in 1995, or the amount determined under ~~IC 12-19-7-4(b)~~ **IC 12-19-7-4** for property taxes payable in each year after 1995; plus

(2) all taxes to be paid in the county in respect to mobile home assessments currently assessed for the year in which the taxes stated in the abstract are to be paid; plus

(3) the amounts, if any, of county adjusted gross income taxes that were applied by the taxing units in the county as property tax replacement credits to reduce the individual levies of the taxing units for the assessment year, as provided in IC 6-3.5-1.1; plus

(4) the amounts, if any, by which the maximum permissible ad valorem property tax levies of the taxing units of the county were reduced under IC 6-1.1-18.5-3(b) STEP EIGHT for the stated assessment year; plus

(5) the difference between:

(A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR; minus

(B) the amount the civil taxing units' levies were increased because of the reduction in the civil taxing units' base year certified shares under IC 6-1.1-18.5-3(e).

(h) "December settlement sheet" means the certificate of settlement filed by the county auditor with the auditor of state, as required under IC 6-1.1-27-3.

(i) "Tax duplicate" means the roll of property taxes which each county auditor is required to prepare on or before March 1 of each year under IC 6-1.1-22-3.

(j) "Eligible property tax replacement amount" is, *except as otherwise provided by law,* equal to the sum of the following:

(1) Sixty percent (60%) of the total county tax levy imposed by each school corporation in a county for its general fund for a stated assessment year.

(2) Twenty percent (20%) of the total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) imposed in a county on real property for a stated assessment year.

(3) Twenty percent (20%) of the total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) imposed in a county on tangible personal property, excluding business personal property, for an assessment year.

(k) "Business personal property" means tangible personal property (other than real property) that is being:

(1) held for sale in the ordinary course of a trade or business; or

(2) held, used, or consumed in connection with the production of income.

(l) "Taxpayer's property tax replacement credit amount" means, *except as otherwise provided by law,* the sum of the following:

(1) Sixty percent (60%) of a taxpayer's tax liability in a calendar year for taxes imposed by a school corporation for its general fund for a stated assessment year.

(2) Twenty percent (20%) of a taxpayer's tax liability for a stated assessment year for a total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) on real property.

(3) Twenty percent (20%) of a taxpayer's tax liability for a stated assessment year for a total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) on tangible personal property

other than business personal property.

(m) "Tax liability" means tax liability as described in section 5 of this chapter.

(n) "General school operating levy" means the ad valorem property tax levy of a school corporation in a county for the school corporation's general fund.

(o) "Board" refers to the property tax replacement fund board established under section 10 of this chapter.

SECTION 102. IC 6-1.1-21-4, AS AMENDED BY P.L.228-2005, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 4. (a) Each year the department shall allocate from the property tax replacement fund an amount equal to the sum of:

(1) each county's total eligible property tax replacement amount for that year; plus

(2) the total amount of homestead tax credits that are provided under IC 6-1.1-20.9 and allowed by each county for that year; plus

(3) an amount for each county that has one (1) or more taxing districts that contain all or part of an economic development district that meets the requirements of section 5.5 of this chapter. This amount is the sum of the amounts determined under the following STEPS for all taxing districts in the county that contain all or part of an economic development district:

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

STEP TWO: Divide:

(A) that part of the subdivision (1) amount that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; times

(B) the taxes levied in the taxing district that are allocated to a special fund under IC 6-1.1-39-5.

(b) Except as provided in subsection (e), between March 1 and August 31 of each year, the department shall distribute to each county treasurer from the property tax replacement fund one-half (1/2) of the

estimated distribution for that year for the county. Between September 1 and December 15 of that year, the department shall distribute to each county treasurer from the property tax replacement fund the remaining one-half (1/2) of each estimated distribution for that year. The amount of the distribution for each of these periods shall be according to a schedule determined by the property tax replacement fund board under section 10 of this chapter. The estimated distribution for each county may be adjusted from time to time by the department to reflect any changes in the total county tax levy upon which the estimated distribution is based.

(c) On or before December 31 of each year or as soon thereafter as possible, the department shall make a final determination of the amount which should be distributed from the property tax replacement fund to each county for that calendar year. This determination shall be known as the final determination of distribution. The department shall distribute to the county treasurer or receive back from the county treasurer any deficit or excess, as the case may be, between the sum of the distributions made for that calendar year based on the estimated distribution and the final determination of distribution. The final determination of distribution shall be based on the auditor's abstract filed with the auditor of state, adjusted for postabstract adjustments included in the December settlement sheet for the year, and such additional information as the department may require.

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

(e) Except as provided in subsection (g) and subject to subsection (h), the department shall not distribute under subsection (b) and section

10 of this chapter a percentage, determined by the department, of the money that would otherwise be distributed to the county under subsection (b) and section 10 of this chapter if:

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

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

(3) the county assessor has not forwarded to the department of local government finance the duplicate copies of all approved exemption applications required to be forwarded by that date under IC 6-1.1-11-8(a);

(4) the county assessor has not forwarded to the department of local government finance in a timely manner sales disclosure forms under ~~IC 6-1.1-5.5-3(b),~~ **IC 6-1.1-5.5-3(c);**

(5) local assessing officials have not provided information to the department of local government finance in a timely manner under IC 4-10-13-5(b);

(6) the county auditor has not paid a bill for services under IC 6-1.1-4-31.5 to the department of local government finance in a timely manner;

(7) the ~~elected~~ township assessors in the county, the ~~elected~~ township assessors and the county assessor, or the county assessor has not transmitted to the department of local government finance by October 1 of the year in which the distribution is scheduled to be made the data for all townships in the county required to be transmitted under IC 6-1.1-4-25(b);

(8) the county has not established a parcel index numbering system under 50 IAC 12-15-1 in a timely manner; or

(9) a township or county official has not provided other information to the department of local government finance in a timely manner as required by the department.

(f) Except as provided in subsection (i), money not distributed for the reasons stated in subsection (e) shall be distributed to the county when the department of local government finance determines that the failure to:

(1) provide information; or

(2) pay a bill for services;

has been corrected.

(g) The restrictions on distributions under subsection (e) do not apply if the department of local government finance determines that the failure to:

(1) provide information; or

(2) pay a bill for services;

in a timely manner is justified by unusual circumstances.

(h) The department shall give the county auditor at least thirty (30) days notice in writing before withholding a distribution under subsection (e).

(i) Money not distributed for the reason stated in subsection (e)(6) may be deposited in the fund established by IC 6-1.1-5.5-4.7(a). Money deposited under this subsection is not subject to distribution under subsection (f).

SECTION 103. IC 6-1.1-22-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 2.5. (a) Subject to subsection (b), for purposes of this section:**

(1) "adjusted residential rate" means a rate of tax per one hundred dollars ($100) of assessed valuation for the current year that is one hundred three percent (103%) of the rate of tax per one hundred dollars ($100) of assessed valuation imposed by a civil taxing unit or school corporation for property taxes first due and payable in the immediately preceding year;

(2) "current year rate" means the rate of tax per one hundred dollars ($100) of assessed valuation certified under IC 6-1.1-17-16(f) by the department of local government finance for a civil taxing unit or school corporation for property taxes first due and payable in the current year;

(3) "preceding year rate" means the rate of tax per one hundred dollars ($100) of assessed valuation certified under IC 6-1.1-17-16(f) by the department of local government finance for a civil taxing unit or school corporation for property taxes first due and payable in the year that immediately precedes the current year; and

(4) "residential real property" means real property that is

assessed as residential property under the rules of the department of local government finance.

(b) A rate of tax per one hundred dollars ($100) of assessed valuation referred to in subsection (a) does not include the part of the rate imposed for any of the following:

(1) Debt service.

(2) Lease rentals.

(3) A school corporation general fund.

(c) The auditor of each county shall, before preparing the tax duplicate for the current year under section 3 of this chapter, identify each civil taxing unit and school corporation in the county for which the current year rate is greater than one hundred three percent (103%) of the preceding year rate.

(d) In preparing the tax duplicate under section 3 of this chapter for the current year for each civil taxing unit and school corporation identified under subsection (c), the county auditor shall, instead of applying the current year rate in the determination of property taxes on residential real property, apply a tax rate in the determination of property taxes on residential real property that equals the sum of:

(1) the adjusted residential rate; plus

(2) the rate imposed for the current year by the civil taxing unit or school corporation for any of the following:

(A) Debt service.

(B) Lease rentals.

(C) A school corporation general fund.

(e) If a property tax revenue shortfall results from the application of the rate determined under subsection (d), the civil taxing unit or school corporation may not take any action to make up the shortfall.

SECTION 104. IC 6-1.1-22-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Immediately upon the receipt of the tax duplicate, the county treasurer shall give notice of the rate of tax per one ~~hunded~~ **hundred** dollars ($100) of assessed valuation to be collected in the county for each purpose and the total of the rates in each taxing district. **If a rate determined under section 2.5 of this chapter applies, the county auditor shall include that rate in the notice.** This notice shall be published in the form

prescribed by the department of local government finance three (3) times with each publication one (1) week apart.

(b) The notice required by this section shall be printed in two (2) newspapers which represent different political parties and which are published in the county. However, if two (2) newspapers which represent different political parties are not published in the county, the notice shall be printed in one (1) newspaper.

SECTION 105. IC 6-1.1-22-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. On or before March 15 of each year, the county auditor shall prepare and deliver to the auditor of state and the county treasurer a certified copy of an abstract of the property, assessments, taxes, deductions, and exemptions for taxes payable in that year in each taxing district of the county. The county auditor shall prepare the abstract in such a manner that the information concerning property tax deductions reflects the total amount of each type of deduction. The abstract shall also contain a statement of the taxes and penalties unpaid in each taxing unit **and the amount of taxes deferred and interest accrued on deferred taxes under IC 6-1.1-46** at the time of the last settlement between the county auditor and county treasurer and the status of these delinquencies **and deferred taxes.** The county auditor shall prepare the abstract on the form prescribed by the state board of accounts. The **offices of the** auditor of state, county auditor, and county treasurer shall each keep a copy of the abstract ~~in his office~~ as a public record.

SECTION 106. IC 6-1.1-22-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. The county treasurer shall keep a register of taxes and special assessments in the manner and on the form prescribed by the state board of accounts. ~~He~~ **The county treasurer** shall enter:

(1) each payment of the taxes and special assessments in the register on the day the payment is received; **and**

(2) each deferral of payment of property taxes in the register on the day the taxes would otherwise be due if the taxes had not been deferred under IC 6-1.1-46.

SECTION 107. IC 6-1.1-22-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The county treasurer shall either:

(1) mail to the last known address of each person liable for any

property taxes or special assessment, as shown on the tax duplicate or special assessment records, or to the last known address of the most recent owner shown in the transfer book a statement of current and delinquent taxes and special assessments; or

(2) transmit by written, electronic, or other means to a mortgagee maintaining an escrow account for a person who is liable for any property taxes or special assessments, as shown on the tax duplicate or special assessment records a statement of current and delinquent taxes and special assessments.

(b) The county treasurer may include the following in the statement:

(1) An itemized listing for each property tax levy, including:

(A) the amount of the tax rate;

(B) the entity levying the tax owed; and

(C) the dollar amount of the tax owed.

(2) Information designed to inform the taxpayer or mortgagee clearly and accurately of the manner in which the taxes billed in the tax statement are to be used.

A form used and the method by which the statement and information, if any, are transmitted must be approved by the state board of accounts. The county treasurer may mail or transmit the statement and information, if any, one (1) time each year at least fifteen (15) days before the date on which the first or only installment is due. Whenever a person's tax liability for a year is due in one (1) installment under IC 6-1.1-7-7 or section 9 of this chapter, a statement that is mailed must include the date on which the installment is due and denote the amount of money to be paid for the installment. Whenever a person's tax liability is due in two (2) installments, a statement that is mailed must contain the dates on which the first and second installments are due and denote the amount of money to be paid for each installment.

(c) All payments of property taxes and special assessments shall be made to the county treasurer. The county treasurer, when authorized by the board of county commissioners, may open temporary offices for the collection of taxes in cities and towns in the county other than the county seat.

(d) Before July 1, 2004, the department of local government finance shall designate five (5) counties to participate in a pilot program to implement the requirements of subsection (e). The department shall

immediately notify the county treasurer, county auditor, and county assessor in writing of the designation under this subsection. The legislative body of a county not designated for participation in the pilot program may adopt an ordinance to implement the requirements of subsection (e). The legislative body shall submit a copy of the ordinance to the department of local government finance, which shall monitor the county's implementation of the requirements of subsection (e) as if the county were a participant in the pilot program. The requirements of subsection (e) apply:

(1) only in:

(A) a county designated to participate in a pilot program under this subsection, for property taxes first due and payable after December 31, 2004, and before January 1, 2008; or

(B) a county adopting an ordinance under this subsection, for property taxes first due and payable after December 31, 2003, or December 31, 2004 (as determined in the ordinance), and before January 1, 2008; and

(2) in all counties for taxes first due and payable after December 31, 2007.

(e) Subject to subsection (d), regardless of whether a county treasurer transmits a statement of current and delinquent taxes and special assessments to a person liable for the taxes under subsection (a)(1) or to a mortgagee under subsection (a)(2), the county treasurer shall mail the following information to the last known address of each person liable for the property taxes or special assessments or to the last known address of the most recent owner shown in the transfer book. The county treasurer shall mail the information not later than the date the county treasurer transmits a statement for the property under subsection (a)(1) or (a)(2). The county treasurer, county auditor, and county assessor shall cooperate to generate the information to be included on the form. The information that must be provided is the following:

(1) A breakdown showing the total property tax and special assessment liability and the amount of the taxpayer's liability that will be distributed to each taxing unit in the county.

(2) A comparison showing any change in the assessed valuation for the property as compared to the previous year.

(3) A comparison showing any change in the property tax and

special assessment liability for the property as compared to the previous year. The information required under this subdivision must identify:

(A) the amount of the taxpayer's liability distributable to each taxing unit in which the property is located in the current year and in the previous year; and

(B) the percentage change, if any, in the amount of the taxpayer's liability distributable to each taxing unit in which the property is located from the previous year to the current year.

(4) An explanation of the following:

(A) The homestead credit and all property tax deductions.

(B) The procedure and deadline for filing for the homestead credit and each deduction.

(C) The procedure that a taxpayer must follow to:

(i) appeal a current assessment; or

(ii) petition for the correction of an error related to the taxpayer's property tax and special assessment liability.

(D) The forms that must be filed for an appeal or petition described in clause (C).

The department of local government finance shall provide the explanation required by this subdivision to each county treasurer.

(5) A checklist that shows:

(A) the homestead credit and all property tax deductions; and

(B) whether the homestead credit and each property tax deduction applies in the current statement for the property transmitted under subsection (a)(1) or (a)(2).

(f) The information required to be mailed under subsection (e) must be simply and clearly presented and understandable to the average individual.

(g) A county that incurs:

(1) initial computer programming costs directly related to implementation of the requirements of subsection (e); or

(2) printing costs directly related to mailing information under subsection (e);

shall submit an itemized statement of the costs to the department of local government finance for reimbursement from the state. The treasurer of state shall pay a claim approved by the department of local

government finance and submitted under this section on a warrant of the auditor of state. However, the treasurer of state may not pay any additional claims under this subsection after the total amount of claims paid reaches fifty thousand dollars ($50,000).

(h) The county treasurer shall include the following in a statement concerning residential real property (other than property known by the county treasurer to be rental property) that is distributed under subsection (a):

(1) A brief description of the availability of the property tax deferral program under IC 6-1.1-46.

(2) If the property has been approved for the deferral of property taxes, a separate statement of:

(A) the amount of property taxes that may be deferred under IC 6-1.1-46;

(B) the cumulative total of the property taxes deferred under IC 6-1.1-46 in the current year and all prior years, if the amount is greater than zero dollars ($0), including the part of the cumulative total:

(i) subject to interest charges; and

(ii) not subject to interest charges;

(C) the rate of interest in effect for the current year to be imposed on the part of the cumulative total of property taxes described in clause (B)(i); and

(D) the cumulative remaining deferral capacity of the homestead (as defined in IC 6-1.1-46-5), which is the greater of the following:

(i) Zero dollars ($0).

(ii) The amount equal to the assessed value of the homestead (as defined in IC 6-1.1-46-5) after subtracting the amount of all recorded mortgages and liens on the property on the date on which the property taxes would otherwise be first due and payable, including the lien for property taxes imposed on the current assessment date.

The information provided under this subsection must be in the form prescribed by the department of local government finance.

SECTION 108. IC 6-1.1-22-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) Except as provided in IC 6-1.1-7-7, **IC 6-1.1-46,** section 9.5 of this chapter, and

subsection (b), the property taxes assessed for a year under this article are due in two (2) equal installments on May 10 and November 10 of the following year.

(b) A county council may adopt an ordinance to require a person to pay the person's property tax liability in one (1) installment, if the tax liability for a particular year is less than twenty-five dollars ($25). If the county council has adopted such an ordinance, then whenever a tax statement mailed under section 8 of this chapter shows that the person's property tax liability for a year is less than twenty-five dollars ($25) for the property covered by that statement, the tax liability for that year is due in one (1) installment on May 10 of that year.

(c) If property taxes are not paid on or before the due date, the penalties prescribed in IC 6-1.1-37-10 shall be added to the delinquent taxes.

(d) Notwithstanding any other law, a property tax liability of less than five dollars ($5) is increased to five dollars ($5). The difference between the actual liability and the five dollar ($5) amount that appears on the statement is a statement processing charge. The statement processing charge is considered a part of the tax liability.

SECTION 109. IC 6-1.1-22-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) A person who is liable for property taxes under IC 6-1.1-2-4, **including property taxes deferred under IC 6-1.1-46 after the deferred taxes become due,** is personally liable for the taxes and all penalties, cost, and collection expenses, including reasonable attorney's fees and court costs, resulting from late payment of the taxes.

(b) A person's liability under this section may be enforced by any legal remedy, including a civil lawsuit instituted by a county treasurer or a county executive to collect delinquent taxes. One (1) action may be initiated to collect all taxes, penalties, cost, and collection expenses levied against a person in the same county for one (1) or more years. However, an action may not be initiated to enforce the collection of taxes after ten (10) years from the first Monday in May of the year in which the taxes first became due. An action initiated within the ten (10) year period may be prosecuted to termination.

(c) In addition to any other method of collection authorized under this article, the department of state revenue may collect:

(1) property taxes deferred under IC 6-1.1-46, after the

deferred taxes become due; and

(2) all interest, penalties, costs, and collection expenses, including reasonable attorney's fees and court costs accruing under this article, after the deferred taxes become due under IC 6-1.1-46;

as a listed tax.

SECTION 110. IC 6-1.1-22-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) The state acquires a lien on each tract of real property for all property taxes levied against the tract, including the land under an improvement or appurtenance described in IC 6-1.1-2-4(b), and all subsequent penalties and cost resulting from the taxes. This lien attaches on the assessment date of the year for which the taxes are assessed. The lien is not affected by any sale or transfer of the tract, including the land under an improvement or appurtenance described in IC 6-1.1-2-4(b), including the sale, exchange, or lease of the tract under IC 36-1-11.

(b) The lien of the state for taxes, penalties, and cost continues for ten (10) years from May 10 of the year in which the taxes first become due. **For purposes of IC 6-1.1-46, the due date is the date to which property taxes are deferred under IC 6-1.1-46.** However, if any proceeding is instituted to enforce the lien within the ten (10) year period, the limitation is extended, if necessary, to permit the termination of the proceeding.

(c) The lien of the state inures to taxing units which impose the property taxes on which the lien is based, and the lien is superior to all other liens.

(d) A taxing unit described in subsection (c) may institute a civil suit against a person or an entity liable for delinquent property taxes. The taxing unit may, after obtaining a judgment, collect:

(1) delinquent real property taxes;

(2) penalties due to the delinquency; and

(3) costs and expenses incurred in collecting the delinquent property tax, including reasonable attorney's fees and court costs approved by a court with jurisdiction.

SECTION 111. IC 6-1.1-22.5-8, AS ADDED BY P.L.1-2004, SECTION 37, AND AS ADDED BY P.L.23-2004, SECTION 40, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. **(a)** A provisional statement

must:

(1) be on a form approved by the state board of accounts;

(2) except as provided in emergency rules adopted under section 20 of this chapter, indicate tax liability in the amount of ninety percent (90%) of the tax liability that was payable in the same year as the assessment date for the property for which the provisional statement is issued;

(3) indicate:

(A) that the tax liability under the provisional statement is determined as described in subdivision (2); and

(B) that property taxes billed on the provisional statement:

(i) are due and payable in the same manner as property taxes billed on a tax statement under IC 6-1.1-22-8; and

(ii) will be credited against a reconciling statement;

(4) include *a* ~~*the following*~~ statement *in the following or a substantially similar form, as determined by the department of local government finance:*

"Under Indiana law, _____ County (insert county) has elected to send provisional statements because the county did not complete the abstract of the property, assessments, taxes, deductions, and exemptions for taxes payable in (insert year) in each taxing district before March 16, (insert year). The statement is due to be paid in installments on May 10 and November 10. The statement is based on ninety percent (90%) of your tax liability for taxes payable in (insert year), subject to adjustment for any new construction on your property *or any damage to your property*. After the abstract of property is complete, you will receive a reconciling statement in the amount of your actual tax liability for taxes payable in (insert year), minus the amount you pay under this provisional statement.";

(5) indicate liability for:

(A) delinquent:

(i) taxes; and

(ii) special assessments;

(B) penalties; and

(C) interest;

is allowed to appear on the tax statement under IC 6-1.1-22-8 for the May installment of property taxes in the year in which the

provisional tax statement is issued; and

(6) include any other information the county treasurer requires.

(b) A provisional statement must include the information concerning the deferral of property taxes under IC 6-1.1-46 that is required in a statement under IC 6-1.1-22-8.

SECTION 112. IC 6-1.1-22.5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. Except as provided in section 12 of this chapter **and IC 6-1.1-46,** property taxes billed on a provisional statement are due in two (2) equal installments on May 10 and November 10 of the year following the assessment date covered by the provisional statement.

SECTION 113. IC 6-1.1-22.5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) Except as provided by subsection (c), each reconciling statement must indicate:

(1) the actual property tax liability under this article on the assessment determined for the assessment date for the property for which the reconciling statement is issued;

(2) the total amount paid under the provisional statement for the property for which the reconciling statement is issued;

(3) if the amount under subdivision (1) exceeds the amount under subdivision (2), that the excess is payable by the taxpayer:

(A) as a final reconciliation of the tax liability; and

(B) not later than:

(i) thirty (30) days after the date of the reconciling statement; or

(ii) if the county treasurer requests in writing that the commissioner designate a later date, the date designated by the commissioner; and

(4) if the amount under subdivision (2) exceeds the amount under subdivision (1), that the taxpayer may claim a refund of the excess under IC 6-1.1-26.

(b) If, upon receipt of the abstract referred to in section 6 of this chapter, the county treasurer determines that it is possible to complete the:

(1) preparation; and

(2) mailing or transmittal;

of the reconciling statement at least thirty (30) days before the due date of the November installment specified in the provisional statement, the

county treasurer may request in writing that the department of local government finance permit the county treasurer to issue a reconciling statement that adjusts the amount of the November installment that was specified in the provisional statement. If the department approves the county treasurer's request, the county treasurer shall prepare and mail or transmit the reconciling statement at least thirty (30) days before the due date of the November installment specified in the provisional statement.

(c) A reconciling statement prepared under subsection (b) must indicate:

(1) the actual property tax liability under this article on the assessment determined for the assessment date for the property for which the reconciling statement is issued;

(2) the total amount of the May installment paid under the provisional statement for the property for which the reconciling statement is issued;

(3) if the amount under subdivision (1) exceeds the amount under subdivision (2), the adjusted amount of the November installment that is payable by the taxpayer:

(A) as a final reconciliation of the tax liability; and

(B) not later than:

(i) November 10; or

(ii) if the county treasurer requests in writing that the commissioner designate a later date, the date designated by the commissioner; and

(4) if the amount under subdivision (2) exceeds the amount under subdivision (1), that the taxpayer may claim a refund of the excess under IC 6-1.1-26.

(d) A reconciling statement must include the information concerning the deferral of property taxes under IC 6-1.1-46 that is required in a statement under IC 6-1.1-22-8.

SECTION 114. IC 6-1.1-22.5-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. For purposes of IC 6-1.1-24-1(a)(1):

(1) the May installment on a provisional statement is considered to be the taxpayer's spring installment of property taxes;

(2) except as provided in subdivision (3) **and IC 6-1.1-46,** payment on a reconciling statement is considered to be due before

the due date of the May installment of property taxes payable in the following year; and

(3) payment on a reconciling statement described in section 12(b) of this chapter is considered to be the taxpayer's fall installment of property taxes.

SECTION 115. IC 6-1.1-23-1, AS AMENDED BY P.L.214-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 1. (a) Annually, after November 10th but before August 1st of the succeeding year, each county treasurer shall serve a written demand upon each county resident who is delinquent in the payment of personal property taxes. Annually, after May 10 but before October 31 of the same year, each county treasurer may serve a written demand upon a county resident who is delinquent in the payment of personal property taxes. The written demand may be served upon the taxpayer:

(1) by registered or certified mail;

(2) in person by the county treasurer or the county treasurer's agent; or

(3) by proof of certificate of mailing.

(b) The written demand required by this section shall contain:

(1) a statement that the taxpayer is delinquent in the payment of personal property taxes;

(2) the amount of the delinquent taxes;

(3) the penalties due on the delinquent taxes;

(4) the collection expenses which the taxpayer owes; and

(5) a statement that if the sum of the delinquent taxes, penalties, and collection expenses are not paid within thirty (30) days from the date the demand is made then:

(A) sufficient personal property of the taxpayer shall be sold to satisfy the total amount due plus the additional collection expenses incurred; or

(B) a judgment may be entered against the taxpayer in the circuit court of the county.

(c) Subsections (d) through (g) apply only to personal property that:

(1) is subject to a lien of a creditor imposed under an agreement entered into between the debtor and the creditor after June 30, 2005;

(2) comes into the possession of the creditor or the creditor's agent

after May 10, 2006, to satisfy all or part of the debt arising from the agreement described in subdivision (1); and

(3) has an assessed value of at least three thousand two hundred dollars ($3,200).

(d) For the purpose of satisfying a creditor's lien on personal property, the creditor of a taxpayer that comes into possession of personal property on which the taxpayer is adjudicated delinquent in the payment of personal property taxes must pay in full to the county treasurer the amount of the delinquent personal property taxes determined under STEP SEVEN of the following formula from the proceeds of any transfer of the personal property made by the creditor or the creditor's agent before applying the proceeds to the creditor's lien on the personal property:

STEP ONE: Determine the amount realized from any transfer of the personal property made by the creditor or the creditor's agent after the payment of the direct costs of the transfer.

STEP TWO: Determine the amount of the delinquent taxes, including penalties and interest accrued on the delinquent taxes as identified on the form described in subsection (f) by the county treasurer.

STEP THREE: Determine the amount of the total of the unpaid debt that is a lien on the transferred property that was perfected before the assessment date on which the delinquent taxes became a lien on the transferred property.

STEP FOUR: Determine the sum of the STEP TWO amount and the STEP THREE amount.

STEP FIVE: Determine the result of dividing the STEP TWO amount by the STEP FOUR amount.

STEP SIX: Multiply the STEP ONE amount by the STEP FIVE amount.

STEP SEVEN: Determine the lesser of the following:

(A) The STEP TWO amount.

(B) The STEP SIX amount.

(e) This subsection applies to transfers made by a creditor after May 10, 2006. As soon as practicable after a creditor comes into possession of the personal property described in subsection (c), the creditor shall request the form described in subsection (f) from the county treasurer. Before a creditor transfers personal property described in subsection (d)

on which delinquent personal property taxes are owed, the creditor must obtain from the county treasurer a delinquent personal property tax form and file the delinquent personal property tax form with the county treasurer. The creditor shall provide the county treasurer with:

(1) the name and address of the debtor; and

(2) a specific description of the personal property described in subsection (d);

when requesting a delinquent personal property tax form.

(f) The delinquent personal property tax form must be in a form prescribed by the state board of accounts under IC 5-11 and must require the following information:

(1) The name and address of the debtor as identified by the creditor.

(2) A description of the personal property identified by the creditor and now in the creditor's possession.

(3) The assessed value of the personal property identified by the creditor and now in the creditor's possession, as determined under subsection (g).

(4) The amount of delinquent personal property taxes owed on the personal property identified by the creditor and now in the creditor's possession, as determined under subsection (g).

(5) A statement notifying the creditor that ~~IC 6-1.1-23-1~~ **this section** requires that a creditor, upon the liquidation of personal property for the satisfaction of the creditor's lien, must pay in full the amount of delinquent personal property taxes owed as determined under subsection (d) on the personal property in the amount identified on this form from the proceeds of the liquidation before the proceeds of the liquidation may be applied to the creditor's lien on the personal property.

(g) The county treasurer shall provide the delinquent personal property tax form described in subsection (f) to the creditor not later than fourteen (14) days after the date the creditor requests the delinquent personal property tax form. The ~~county and township assessors~~ **assessor** shall assist the county treasurer in determining the appropriate assessed value of the personal property and the amount of delinquent personal property taxes owed on the personal property. Assistance provided by the ~~county and township assessors~~ **assessor** must include providing the county treasurer with relevant personal

property forms filed with the ~~assessors~~ **assessor** and providing the county treasurer with any other assistance necessary to accomplish the purposes of this section.

SECTION 116. IC 6-1.1-24-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 2. (a) In addition to the delinquency list required under section 1 of this chapter, each county auditor shall prepare a notice. The notice shall contain the following:

(1) A list of tracts or real property eligible for sale under this chapter.

(2) A statement that the tracts or real property included in the list will be sold at public auction to the highest bidder, subject to the right of redemption.

(3) A statement that the tracts or real property will not be sold for an amount which is less than the sum of:

(A) the delinquent taxes and special assessments on each tract or item of real property;

(B) the taxes and special assessments on each tract or item of real property that are due and payable in the year of the sale, whether or not they are delinquent;

(C) all penalties due on the delinquencies;

(D) an amount prescribed by the county auditor that equals the sum of:

(i) twenty-five dollars ($25) for postage and publication costs; and

(ii) any other actual costs incurred by the county that are directly attributable to the tax sale; and

(E) any unpaid costs due under subsection (b) from a prior tax sale.

(4) A statement that a person redeeming each tract or item of real property after the sale must pay:

(A) one hundred ten percent (110%) of the amount of the minimum bid for which the tract or item of real property was offered at the time of sale if the tract or item of real property is redeemed not more than six (6) months after the date of sale;

(B) one hundred fifteen percent (115%) of the amount of the minimum bid for which the tract or item of real property was offered at the time of sale if the tract or item of real property is

redeemed more than six (6) months after the date of sale;

(C) the amount by which the purchase price exceeds the minimum bid on the tract or item of real property plus ten percent (10%) per annum on the amount by which the purchase price exceeds the minimum bid; and

(D) all taxes and special assessments on the tract or item of real property paid by the purchaser after the tax sale plus interest at the rate of ten percent (10%) per annum on the amount of taxes and special assessments paid by the purchaser on the redeemed property.

(5) A statement for informational purposes only, of the location of each tract or item of real property by key number, if any, and street address, if any, or a common description of the property other than a legal description. The ~~township~~ assessor, upon written request from the county auditor, shall provide the information to be in the notice required by this subsection. A misstatement in the key number or street address does not invalidate an otherwise valid sale.

(6) A statement that the county does not warrant the accuracy of the street address or common description of the property.

(7) A statement indicating:

(A) the name of the owner of each tract or item of real property with a single owner; or

(B) the name of at least one (1) of the owners of each tract or item of real property with multiple owners.

(8) A statement of the procedure to be followed for obtaining or objecting to a judgment and order of sale, that must include the following:

(A) A statement:

(i) that the county auditor and county treasurer will apply on or after a date designated in the notice for a court judgment against the tracts or real property for an amount that is not less than the amount set under subdivision (3), and for an order to sell the tracts or real property at public auction to the highest bidder, subject to the right of redemption; and

(ii) indicating the date when the period of redemption specified in IC 6-1.1-25-4 will expire.

(B) A statement that any defense to the application for

judgment must be filed with the court before the date designated as the earliest date on which the application for judgment may be filed.

(C) A statement that the court will set a date for a hearing at least seven (7) days before the advertised date and that the court will determine any defenses to the application for judgment at the hearing.

(9) A statement that the sale will be conducted at a place designated in the notice and that the sale will continue until all tracts and real property have been offered for sale.

(10) A statement that the sale will take place at the times and dates designated in the notice. Except as provided in section 5.5 of this chapter, the sale must take place on or after August 1 and before November 1 of each year.

(11) A statement that a person redeeming each tract or item after the sale must pay the costs described in IC 6-1.1-25-2(e).

(12) If a county auditor and county treasurer have entered into an agreement under IC 6-1.1-25-4.7, a statement that the county auditor will perform the duties of the notification and title search under IC 6-1.1-25-4.5 and the notification and petition to the court for the tax deed under IC 6-1.1-25-4.6.

(13) A statement that, if the tract or item of real property is sold for an amount more than the minimum bid and the property is not redeemed, the owner of record of the tract or item of real property who is divested of ownership at the time the tax deed is issued may have a right to the tax sale surplus.

(14) If a determination has been made under subsection (d), a statement that tracts or items will be sold together.

(b) If within sixty (60) days before the date of the tax sale the county incurs costs set under subsection (a)(3)(D) and those costs are not paid, the county auditor shall enter the amount of costs that remain unpaid upon the tax duplicate of the property for which the costs were set. The county treasurer shall mail notice of unpaid costs entered upon a tax duplicate under this subsection to the owner of the property identified in the tax duplicate.

(c) The amount of unpaid costs entered upon a tax duplicate under subsection (b) must be paid no later than the date upon which the next installment of real estate taxes for the property is due. Unpaid costs

entered upon a tax duplicate under subsection (b) are a lien against the property described in the tax duplicate, and amounts remaining unpaid on the date the next installment of real estate taxes is due may be collected in the same manner that delinquent property taxes are collected.

(d) The county auditor and county treasurer may establish the condition that a tract or item will be sold and may be redeemed under this chapter only if the tract or item is sold or redeemed together with one (1) or more other tracts or items. Property may be sold together only if the tract or item is owned by the same person.

SECTION 117. IC 6-1.1-25-4.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 4.1. (a) If, as provided in section 4(f) of this chapter, the county auditor does not issue a deed to the county for property for which a certificate of sale has been issued to the county under IC 6-1.1-24-9 because the county executive determines that the property contains hazardous waste or another environmental hazard for which the cost of abatement or alleviation will exceed the fair market value of the property, the property may be transferred consistent with ~~the provisions of~~ this section.

(b) A person who desires to obtain title to and eliminate the hazardous conditions of property containing hazardous waste or another environmental hazard for which a county holds a certificate of sale but to which a deed may not be issued to the county under section 4(f) of this chapter may file a petition with the county auditor seeking a waiver of the delinquent taxes, special assessments, interest, penalties, and costs assessed against the property and transfer of the title to the property to the petitioner. The petition must:

(1) be on a form prescribed by the state board of accounts and approved by the department of local government finance;

(2) state the amount of taxes, special assessments, penalties, and costs assessed against the property for which a waiver is sought;

(3) describe the conditions existing on the property that have prevented the sale or the transfer of title to the county;

(4) describe the plan of the petitioner for elimination of the hazardous condition on the property under IC 13-25-5 and the intended use of the property; and

(5) be accompanied by a fee established by the county auditor for

completion of a title search and processing.

(c) Upon receipt of a petition described in subsection (b), the county auditor shall review the petition to determine whether the petition is complete. If the petition is not complete, the county auditor shall return the petition to the petitioner and describe the defects in the petition. The petitioner may correct the defects and file the completed petition with the county auditor. Upon receipt of a completed petition, the county auditor shall forward a copy of the petition to:

(1) the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the property is located;

(2) the owner;

(3) all persons who have, as of the date of the filing of the petition, a substantial interest of public record in the property;

(4) the county property tax assessment board of appeals; and

(5) the department of local government finance.

(d) Upon receipt of a petition described in subsection (b), the county property tax assessment board of appeals shall, at the county property tax assessment board of appeals' earliest opportunity, conduct a public hearing on the petition. The county property tax assessment board of appeals shall, by mail, give notice of the date, time, and place fixed for the hearing to:

(1) the petitioner;

(2) the owner;

(3) all persons who have, as of the date the petition was filed, a substantial interest of public record in the property; and

(4) the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the property is located.

In addition, notice of the public hearing on the petition shall be published one (1) time at least ten (10) days before the hearing in a newspaper of countywide circulation and posted at the principal office of the county property tax assessment board of appeals, or at the building where the meeting is to be held.

(e) After the hearing and completion of any additional investigation of the property or of the petitioner that is considered necessary by the county property tax assessment board of appeals, the county board shall give notice, by mail, to the parties listed in subsection (d) of the county property tax assessment board of appeals' recommendation as to whether the petition should be granted. The county property tax

assessment board of appeals shall forward to the department of local government finance a copy of the county property tax assessment board of appeals' recommendation and a copy of the documents submitted to or collected by the county property tax assessment board of appeals at the public hearing or during the course of the county board of appeals' investigation of the petition.

(f) Upon receipt by the department of local government finance of a recommendation by the county property tax assessment board of appeals, the department of local government finance shall review the petition and all other materials submitted by the county property tax assessment board of appeals and determine whether to grant the petition. Notice of the determination by the department of local government finance and the right to seek an appeal of the determination shall be given by mail to:

(1) the petitioner;

(2) the owner;

(3) all persons who have, as of the date the petition was filed, a substantial interest of public record in the property;

(4) the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the property is located; and

(5) the county property tax assessment board of appeals.

(g) Any person aggrieved by a determination of the department of local government finance under subsection (f) may file an appeal seeking additional review by the department of local government finance and a public hearing. In order to obtain a review under this subsection, the aggrieved person must file a petition for appeal with the county auditor in the county where the tract or item of real property is located not more than thirty (30) days after issuance of notice of the determination of the department of local government finance. The county auditor shall transmit the petition for appeal to the department of local government finance not more than ten (10) days after the petition is filed.

(h) Upon receipt by the department of local government finance of an appeal, the department of local government finance shall set a date, time, and place for a hearing. The department of local government finance shall give notice, by mail, of the date, time, and place fixed for the hearing to:

(1) the person filing the appeal;

(2) the petitioner;
(3) the owner;
(4) all persons who have, as of the date the petition was filed, a substantial interest of public record in the property;
(5) the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the property is located; and
(6) the county property tax assessment board of appeals.

The department of local government finance shall give the notices at least ten (10) days before the day fixed for the hearing.

(i) After the hearing, the department of local government finance shall give the parties listed in subsection (h) notice by mail of the final determination of the department of local government finance.

(j) If the department of local government finance decides to:
(1) grant the petition submitted under subsection (b) after initial review of the petition under subsection (f) or after an appeal under subsection (h); and
(2) waive the taxes, special assessments, interest, penalties, and costs assessed against the property;

the department of local government finance shall issue to the county auditor an order directing the removal from the tax duplicate of the taxes, special assessments, interest, penalties, and costs for which the waiver is granted.

(k) After:
(1) at least thirty (30) days have passed since the issuance of a notice by the department of local government finance to the county property tax assessment board of appeals granting a petition filed under subsection (b), if no appeal has been filed; or
(2) not more than thirty (30) days after receipt by the county property tax assessment board of appeals of a notice of a final determination of the department of local government finance granting a petition filed under subsection (b) after an appeal has been filed and heard under subsection (h);

the county auditor shall file a verified petition and an application for an order on the petition in the court in which the judgment of sale was entered asking the court to direct the county auditor to issue a tax deed to the real property. The petition shall contain the certificate of sale issued to the county, a copy of the petition filed under subsection (b), and a copy of the notice of the final determination of the department of

local government finance directing the county auditor to remove the taxes, interest, penalties, and costs from the tax duplicate. Notice of the filing of the petition and application for an order on the petition shall be given, by mail, to the owner and any person with a substantial interest of public record in the property. A person owning or having an interest in the property may appear to object to the petition.

(l) The court shall enter an order directing the county auditor to issue a tax deed to the petitioner under subsection (b) if the court finds that the following conditions exist:

(1) The time for redemption has expired.

(2) The property has not been redeemed before the expiration of the period of redemption specified in section 4 of this chapter.

(3) All taxes, special assessments, interest, penalties, and costs have been waived by the department of local government finance or, to the extent not waived, paid by the petitioner under subsection (b).

(4) All notices required by this section and sections 4.5 and 4.6 of this chapter have been given.

(5) The petitioner under subsection (b) has complied with all the provisions of law entitling the petitioner to a tax deed.

(m) A tax deed issued under this section is uncontestable except by appeal from the order of the court directing the county auditor to issue the tax deed. The appeal must be filed not later than sixty (60) days after the date of the court's order.

SECTION 118. IC 6-1.1-29-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 9. (a) A county council may adopt an ordinance to abolish the county board of tax adjustment. This ordinance must be adopted by July 1 and may not be rescinded in the year it is adopted. Notwithstanding IC 6-1.1-17, IC 6-1.1-18, IC 6-1.1-19, IC 12-19-7, ~~IC 12-19-7.5,~~ IC 21-2-14, IC 36-8-6, IC 36-8-7, IC 36-8-7.5, IC 36-8-11, IC 36-9-3, IC 36-9-4, and IC 36-9-13, if such an ordinance is adopted, this section governs the treatment of tax rates, tax levies, and budgets that would otherwise be reviewed by a county board of tax adjustment under IC 6-1.1-17.

(b) The time requirements set forth in IC 6-1.1-17 govern all filings and notices.

(c) A tax rate, tax levy, or budget that otherwise would be reviewed by the county board of tax adjustment is considered and must be treated

for all purposes as if the county board of tax adjustment approved the tax rate, tax levy, or budget. This includes the notice of tax rates that is required under IC 6-1.1-17-12.

SECTION 119. IC 6-1.1-31-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 5. (a) Subject to this article, the rules adopted by the department of local government finance are the basis for determining the true tax value of tangible property.

(b) ~~Local~~ Assessing officials ~~members of the county property tax assessment board of appeals,~~ and county assessors shall:

(1) comply with the rules, appraisal manuals, bulletins, and directives adopted by the department of local government finance;

(2) use the property tax forms, property tax returns, and notice forms prescribed by the department; and

(3) collect and record the data required by the department.

(c) In assessing tangible property, ~~the township assessors, members of the county property tax assessment board of appeals, and~~ county assessors **and assessing officials** may consider factors in addition to those prescribed by the department of local government finance if the use of the additional factors is first approved by the department. Each ~~township assessor, of the county property tax assessment board of appeals, and the~~ county assessor **and assessing official** shall indicate on ~~his~~ **the** records for each individual assessment whether:

(1) only the factors contained in the department's rules, forms, and returns have been considered; or

(2) factors in addition to those contained in the department's rules, forms, and returns have been considered.

SECTION 120. IC 6-1.1-31.5-3.5, AS AMENDED BY P.L.228-2005, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3.5. (a) Until the system described in subsection (e) is implemented, each county shall maintain a state certified computer system that has the capacity to:

(1) process and maintain assessment records;

(2) process and maintain standardized property tax forms;

(3) process and maintain standardized property assessment notices;

(4) maintain complete and accurate assessment records for the county; and

(5) process and compute complete and accurate assessments in accordance with Indiana law.

The county assessor with the recommendation of the township assessors shall select the computer system used by township assessors and the county assessor in the county except in a county with ~~an elected~~ **a** township assessor in every township. In a county with ~~an elected~~ **a** township assessor in every township, the ~~elected~~ township assessors shall select a computer system based on a majority vote of the township assessors in the county.

(b) All information on a computer system referred to in subsection (a) shall be readily accessible to:

(1) township assessors;

(2) the county assessor;

(3) the department of local government finance; and

(4) members of the county property tax assessment board of appeals.

(c) The certified system referred to in subsection (a) used by the counties must be:

(1) compatible with the data export and transmission requirements in a standard format prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency; and

(2) maintained in a manner that ensures prompt and accurate transfer of data to the department of local government finance and the legislative services agency.

(d) All standardized property forms and notices on the certified computer system referred to in subsection (a) shall be maintained by the township assessor and the county assessor in an accessible location and in a format that is easily understandable for use by persons of the county.

(e) The department shall adopt rules before July 1, 2006, for the establishment of:

(1) a uniform and common property tax management system among all counties that:

(A) includes a combined mass appraisal and county auditor system integrated with a county treasurer system; and

(B) replaces the computer system referred to in subsection (a); and

(2) a schedule for implementation of the system referred to in subdivision (1) structured to result in the implementation of the system in all counties with respect to an assessment date:

(A) determined by the department; and

(B) specified in the rule.

(f) The department shall appoint an advisory committee to assist the department in the formulation of the rules referred to in subsection (e). The department shall determine the number of members of the committee. The committee:

(1) must include at least:

(A) one (1) township assessor;

(B) one (1) county assessor;

(C) one (1) county auditor; and

(D) one (1) county treasurer; and

(2) shall meet at times and locations determined by the department.

(g) Each member of the committee appointed under subsection (f) who is not a state employee is not entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(h) Each member of the committee appointed under subsection (f) who is a state employee is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(i) The department shall report to the budget committee in writing the department's estimate of the cost of implementation of the system referred to in subsection (e).

SECTION 121. IC 6-1.1-33.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 2. The division of data analysis shall do the following:

(1) Compile an electronic data base that includes the following:

(A) The local government data base.

(B) Information on sales of real and personal property, including nonconfidential information from sales disclosure forms filed under IC 6-1.1-5.5.

(C) Personal property assessed values and data entries on personal property return forms.

(D) Real property assessed values and data entries on real property assessment records.

(E) Information on property tax exemptions, deductions, and credits.

(F) Any other data relevant to the accurate determination of real property and personal property tax assessments.

(2) Make available to:

(A) each county; and

(B) each township **that has a township assessor;**

software that permits the transfer of the data described in subdivision (1) to the division in a uniform format through a secure connection over the Internet.

(3) Analyze the data compiled under this section for the purpose of performing the functions under section 3 of this chapter.

(4) Conduct continuing studies of personal and real property tax deductions, abatements, and exemptions used throughout Indiana. The division of data analysis shall, before May 1 of each even-numbered year, report on the studies at a meeting of the budget committee and submit a report on the studies to the legislative services agency for distribution to the members of the legislative council. The report must be in an electronic format under IC 5-14-6.

SECTION 122. IC 6-1.1-35-1.1, AS AMENDED BY P.L.88-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 1.1. (a) Each county assessor and each ~~elected~~ township assessor who has not attained the certification of a "level two" assessor-appraiser under IC 6-1.1-35.5 must employ at least one (1) certified "level two" assessor-appraiser.

(b) Each county assessor and each township assessor must:

(1) attain the certification of a "level one" assessor-appraiser not later than one (1) year after taking office; and

(2) attain the certification of a "level two" assessor-appraiser not later than two (2) years after taking office.

(c) A county assessor or ~~elected~~ township assessor who does not comply with subsection (b) is subject to forfeiture of the part of the assessor's annual compensation that relates to real property assessment duties. The county fiscal body may reduce the appropriations for the annual compensation of a township assessor or county assessor under this subsection in an amount that bears the same proportion to the assessor's annual compensation that the time during the year required for the performance of the assessor's real property assessment duties bears to the time during the year required for the performance of the assessor's overall duties. The assessor's annual compensation is reduced by the amount of the appropriation reduction.

~~(d) A trustee assessor who does not comply with subsection (b) relinquishes all duties relating to real property assessment to the county assessor until the trustee assessor complies with subsection (b).~~

~~(e) Not later than six (6) months after taking office, a trustee assessor must notify the county assessor in writing concerning whether the trustee assessor intends to comply with subsection (b). A trustee assessor who notifies the county assessor that the trustee assessor does not intend to comply with subsection (b) relinquishes all duties relating to real property assessment to the county assessor until the trustee assessor complies with subsection (b).~~

SECTION 123. IC 6-1.1-35-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 4. **A county assessor may establish standards and procedures for the conduct of assessment and reassessment activities under this article in the county.** Each county assessor **in a county in which there is at least one (1) township assessor** shall annually call at least one (1) meeting of the township assessors of the county. At the meeting, the county assessor shall advise and instruct the township assessors with respect to their duties under the law, **including their duties under standards and procedures established by the county assessor under this section.** In addition, another purpose of the meeting is to promote intra-county uniformity in assessment procedures. The county assessor may call additional meetings of the township assessors for the purposes stated in this section. A township assessor shall receive a per diem expense allowance for each day that ~~he~~ **the township assessor** attends a meeting called by the county assessor under this section. The county council shall determine the amount of that per diem expense allowance.

SECTION 124. IC 6-1.1-35-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 9. (a) All information that is related to earnings, income, profits, losses, or expenditures and that is:

(1) given by a person to:

(A) an assessing official;

(B) a member of a county property tax assessment board of appeals;

(C) a county assessor;

(D) an employee of a person referred to in clauses (A) through (C); or

(E) an officer or employee of an entity that contracts with a board of county commissioners, a county assessor, or ~~an elected~~ **a** township assessor under IC 6-1.1-36-12; or

(2) acquired by:

(A) an assessing official;

(B) a member of a county property tax assessment board of appeals;

(C) a county assessor;

(D) an employee of a person referred to in clauses (A) through (C); or

(E) an officer or employee of an entity that contracts with a board of county commissioners, a county assessor, or ~~an elected~~ **a** township assessor under IC 6-1.1-36-12;

in the performance of the person's duties;

is confidential. The assessed valuation of tangible property is a matter of public record and is thus not confidential. Confidential information may be disclosed only in a manner that is authorized under subsection (b), (c), or (d).

(b) Confidential information may be disclosed to:

(1) an official or employee of:

(A) this state or another state;

(B) the United States; or

(C) an agency or subdivision of this state, another state, or the United States;

if the information is required in the performance of the official duties of the official or employee; or

(2) an officer or employee of an entity that contracts with a board

of county commissioners, a county assessor, or ~~an elected~~ **a** township assessor under IC 6-1.1-36-12 if the information is required in the performance of the official duties of the officer or employee.

(c) The following state agencies, or their authorized representatives, shall have access to the confidential farm property records and schedules that are on file in the office of a county or township assessor:

(1) the Indiana state board of animal health, in order to perform its duties concerning the discovery and eradication of farm animal diseases;

(2) the department of agricultural statistics of Purdue University, in order to perform its duties concerning the compilation and dissemination of agricultural statistics; and

(3) any other state agency that needs the information in order to perform its duties.

(d) Confidential information may be disclosed during the course of a judicial proceeding in which the regularity of an assessment is questioned.

(e) Confidential information that is disclosed to a person under subsection (b) or (c) retains its confidential status. Thus, that person may disclose the information only in a manner that is authorized under subsection (b), (c), or (d).

(f) Notwithstanding any other provision of law:

(1) a person who:

(A) is an officer or employee of an entity that contracts with a board of county commissioners, a county assessor, or ~~an elected~~ **a** township assessor under IC 6-1.1-36-12; and

(B) obtains confidential information under this section;

may not disclose that confidential information to any other person; and

(2) a person referred to in subdivision (1) must return all confidential information to the taxpayer not later than fourteen (14) days after the earlier of:

(A) the completion of the examination of the taxpayer's personal property return under IC 6-1.1-36-12; or

(B) the termination of the contract.

SECTION 125. IC 6-1.1-35-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 11. (a) An

assessing official, member of a county property tax assessment board of appeals, a state board member, or an employee of any assessing official, county assessor, or board shall immediately be dismissed from that position if the person discloses in an unauthorized manner any information that is classified as confidential under section 9 of this chapter.

(b) If an officer or employee of an entity that contracts with a board of county commissioners, a county assessor, or ~~an elected~~ **a** township assessor under IC 6-1.1-36-12 discloses in an unauthorized manner any information that is classified as confidential under section 9 of this chapter:

(1) the contract between the entity and the board is void as of the date of the disclosure;

(2) the entity forfeits all right to payments owed under the contract after the date of disclosure;

(3) the entity and its affiliates are barred for three (3) years after the date of disclosure from entering into a contract with a board, a county assessor, or ~~an elected~~ **a** township assessor under IC 6-1.1-36-12; and

(4) the taxpayer whose information was disclosed has a right of action for triple damages against the entity.

SECTION 126. IC 6-1.1-36-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 12. (a) A board of county commissioners, a county assessor, or ~~an elected~~ **a** township assessor may enter into a properly approved contract for the discovery of property that has been undervalued or omitted from assessment. The contract must prohibit payment to the contractor for discovery of undervaluation or omission with respect to a parcel or personal property return before all appeals of the assessment of the parcel or the assessment under the return have been finalized. The contract may require the contractor to:

(1) examine and verify the accuracy of personal property returns filed by taxpayers with a township assessor of a township in the county; and

(2) compare a return with the books of the taxpayer and with personal property owned, held, possessed, controlled, or occupied by the taxpayer.

(b) The investigation and collection expenses of a contract under

subsection (a) may be deducted from the gross amount of taxes collected on the undervalued or omitted property that is so discovered. The remainder of the taxes collected on the undervalued or omitted property shall be distributed to the appropriate taxing units.

(c) A board of county commissioners, a county assessor, or ~~an elected~~ **a** township assessor may not contract for services under subsection (a) on a percentage basis.

SECTION 127. IC 6-1.1-36-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 13. When a political subdivision is formed, the auditor of the county in which the political subdivision is situated shall, at the written request of the legislative body of the political subdivision, prepare a list of all the lands and lots within the limits of the political subdivision, and the county auditor shall deliver the list to the appropriate ~~township~~ assessor on or before the assessment date which immediately follows the date of incorporation. The county auditor shall use the records in the auditor's office in order to compile the list.

SECTION 128. IC 6-1.1-37-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 2. A county ~~or township~~ **assessor, an assessing** official, ~~member of a county or state board,~~ or ~~employee~~ **a representative** of ~~such an official or board~~ **the department of local government finance** who:

(1) knowingly assesses any property at more or less than what ~~he~~ **the county assessor, official, or representative** believes is the proper assessed value of the property;

(2) knowingly fails to perform any of the duties imposed on ~~him~~ **the county assessor, official, or representative** under the general assessment provisions of this article; or

(3) recklessly violates any of the other general assessment provisions of this article;

commits a Class A misdemeanor.

SECTION 129. IC 6-1.1-37-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 7. (a) If a person fails to file a required personal property return on or before the due date, the county auditor shall add a penalty of twenty-five dollars ($25) to the person's next property tax installment. The county auditor shall also add an additional penalty to the taxes payable by the person if ~~he~~ **the person** fails to file the personal property return within thirty (30)

days after the due date. The amount of the additional penalty is twenty percent (20%) of the taxes finally determined to be due with respect to the personal property which should have been reported on the return.

(b) For purposes of this section, a personal property return is not due until the expiration of any extension period granted by the ~~township~~ assessor under IC 6-1.1-3-7(b).

(c) The penalties prescribed under this section do not apply to an individual or ~~his~~ **the individual's** dependents if ~~he:~~ **the individual:**

(1) is in the military or naval forces of the United States on the assessment date; and

(2) is covered by the federal Soldiers' and Sailors' Civil Relief Act.

(d) If a person subject to IC 6-1.1-3-7(d) fails to include on a personal property return the information, if any, that the department of local government finance requires under IC 6-1.1-3-9 or IC 6-1.1-5-13, the county auditor shall add a penalty to the property tax installment next due for the return. The amount of the penalty is twenty-five dollars ($25).

(e) If the total assessed value that a person reports on a personal property return is less than the total assessed value that the person is required by law to report and if the amount of the undervaluation exceeds five percent (5%) of the value that should have been reported on the return, then the county auditor shall add a penalty of twenty percent (20%) of the additional taxes finally determined to be due as a result of the undervaluation. The penalty shall be added to the property tax installment next due for the return on which the property was undervalued. If a person has complied with all of the requirements for claiming a deduction, an exemption, or an adjustment for abnormal obsolescence, then the increase in assessed value that results from a denial of the deduction, exemption, or adjustment for abnormal obsolescence is not considered to result from an undervaluation for purposes of this subsection.

(f) A penalty is due with an installment under subsection (a), (d), or (e) whether or not an appeal is filed under IC 6-1.1-15-5 with respect to the tax due on that installment.

SECTION 130. IC 6-1.1-37-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 7.5. A person who fails to provide, within forty-five (45) days after the filing

deadline, evidence of the filing of a personal property return to the assessor, ~~of the township in which the owner resides,~~ as required under IC 6-1.1-3-1(d), shall pay to:

(1) the township in which the owner resides **if the township is served by a township assessor; or**

(2) the county in which the owner resides if subsection (1) does not apply;

a penalty equal to ten percent (10%) of the tax liability.

SECTION 131. IC 6-1.1-37-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 8. ~~A township~~ **An** assessor shall inform the county auditor of any vending machine which does not, as required under ~~IC 1971,~~ **IC** 6-1.1-3-8, have an identification device on its face. The county auditor shall then add a one dollar **($1.00)** penalty to the next property tax installment of the person on whose premises the machine is located.

SECTION 132. IC 6-1.1-42-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 27. (a) A property owner who desires to obtain the deduction provided by section 24 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. Except as otherwise provided in subsection (b) or (e), the deduction application must be filed before May 10 of the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation or new assessment for any year is not given to the property owner before April 10 of that year, the deduction application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the ~~township~~ assessor.

(c) The certified deduction application required by this section must contain the following information:

(1) The name of each owner of the property.

(2) A certificate of completion of a voluntary remediation under IC 13-25-5-16.

(3) Proof that each owner who is applying for the deduction:

(A) has never had an ownership interest in an entity that contributed; and

(B) has not contributed;

a contaminant (as defined in IC 13-11-2-42) that is the subject of the voluntary remediation, as determined under the written standards adopted by the department of environmental management.

(4) Proof that the deduction was approved by the appropriate designating body.

(5) A description of the property for which a deduction is claimed in sufficient detail to afford identification.

(6) The assessed value of the improvements before remediation and redevelopment.

(7) The increase in the assessed value of improvements resulting from remediation and redevelopment.

(8) The amount of the deduction claimed for the first year of the deduction.

(d) A certified deduction application filed under subsection (a) or (b) is applicable for the year in which the addition to assessed value or assessment of property is made and each subsequent year to which the deduction applies under the resolution adopted under section 24 of this chapter.

(e) A property owner who desires to obtain the deduction provided by section 24 of this chapter but who has failed to file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between March 1 and May 10 of a subsequent year which is applicable for the year filed and the subsequent years without any additional certified deduction application being filed for the amounts of the deduction which would be applicable to such years under this chapter if such a deduction application had been filed in accordance with subsection (a) or (b).

(f) On verification of the correctness of a certified deduction application by the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the property is located, the county auditor shall, if the property is covered by a resolution adopted under section 24 of this chapter, make the appropriate deduction.

(g) The amount and period of the deduction provided for property by section 24 of this chapter are not affected by a change in the ownership of the property if the new owner of the property:

(1) is a person that:

(A) has never had an ownership interest in an entity that contributed; and

(B) has not contributed;

a contaminant (as defined in IC 13-11-2-42) that is the subject of the voluntary remediation, as determined under the written standards adopted by the department of environmental management;

(2) continues to use the property in compliance with any standards established under sections 7 and 23 of this chapter; and

(3) files an application in the manner provided by subsection (e).

(h) The ~~township~~ assessor shall include a notice of the deadlines for filing a deduction application under subsections (a) and (b) with each notice to a property owner of an addition to assessed value or of a new assessment.

SECTION 133. IC 6-1.1-45.5-3, AS ADDED BY P.L.208-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3. On receipt of a petition under section 2 of this chapter, the county auditor shall determine whether the petition is complete. If the petition is not complete, the county auditor shall return the petition to the petitioner and describe the defects in the petition. The petitioner may correct the defects and file the completed petition with the county auditor. On receipt of a complete petition, the county auditor shall forward a copy of the complete petition to:

(1) the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the brownfield is located;

(2) the owner, if different from the petitioner;

(3) all persons that have, as of the date of the filing of the petition, a substantial property interest of public record in the brownfield;

(4) the board;

(5) the fiscal body;

(6) the department of environmental management; and

(7) the department.

SECTION 134. IC 6-1.1-45.5-4, AS ADDED BY P.L.208-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 4. On receipt of a complete petition as provided under sections 2 and 3 of this chapter, the board shall at its earliest opportunity conduct a public hearing on the petition. The board shall give notice of the date, time, and place fixed for the hearing:

(1) by mail to:

(A) the petitioner;

(B) the owner, if different from the petitioner;

(C) all persons that have, as of the date the petition was filed, a substantial interest of public record in the brownfield; and

(D) the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the brownfield is located; and

(2) under IC 5-3-1.

SECTION 135. IC 6-1.1-45.5-8, AS ADDED BY P.L.208-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 8. (a) The department shall give notice of its determination under section 7 of this chapter and the right to seek an appeal of the determination by mail to:

(1) the petitioner;

(2) the owner, if different from the petitioner;

(3) all persons that have, as of the date the petition was filed under section 2 of this chapter, a substantial property interest of public record in the brownfield;

(4) the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the brownfield is located;

(5) the board;

(6) the fiscal body; and

(7) the county auditor.

(b) A person aggrieved by a determination of the department under section 7 of this chapter may obtain an additional review by the department and a public hearing by filing a petition for review with the county auditor of the county in which the brownfield is located not more than thirty (30) days after the department gives notice of the determination under subsection (a). The county auditor shall transmit the petition to the department not more than ten (10) days after the petition is filed.

(c) On receipt by the department of a petition for review, the department shall set a date, time, and place for a hearing. At least ten (10) days before the date fixed for the hearing, the department shall give notice by mail of the date, time, and place fixed for the hearing to:

(1) the person that filed the appeal;

(2) the petitioner;

(3) the owner, if different from the petitioner;

(4) all persons that have, as of the date the petition is filed, a substantial interest of public record in the brownfield;

(5) the assessor ~~of~~ **who serves** the ~~township~~ **area** in which the brownfield is located;

(6) the board;

(7) the fiscal body; and

(8) the county auditor.

(d) After the hearing, the department shall give the parties listed in subsection (c) notice by mail of the final determination of the department. The department's final determination under this subsection is subject to the limitations in subsections (f)(2) and (g).

(e) The petitioner under section 2 of this chapter shall provide to the county auditor reasonable proof of ownership of the brownfield:

(1) if a petition is not filed under subsection (b), at least thirty (30) days but not more than one hundred twenty (120) days after notice is given under subsection (a); or

(2) after notice is given under subsection (d) but not more than ninety (90) days after notice is given under subsection (d).

(f) The county auditor:

(1) shall, subject to subsection (g), reduce or remove the delinquent tax liability on the tax duplicate in the amount stated in:

(A) if a petition is not filed under subsection (b), the determination of the department under section 7 of this chapter; or

(B) the final determination of the department under this section;

not more than thirty (30) days after receipt of the proof of ownership required in subsection (e); and

(2) may not reduce or remove any delinquent tax liability on the tax duplicate if the petitioner under section 2 of this chapter fails to provide proof of ownership as required in subsection (e).

(g) A reduction or removal of delinquent tax liability under subsection (f) applies until the county auditor makes a determination under this subsection. After the date referred to in section 2(6) of this chapter, the county auditor shall determine if the petitioner successfully completed the plan described in section 2(5) of this chapter by that date. If the county auditor determines that the petitioner completed the plan

by that date, the reduction or removal of delinquent tax liability under subsection (f) becomes permanent. If the county auditor determines that the petitioner did not complete the plan by that date, the county auditor shall restore to the tax duplicate the delinquent taxes reduced or removed under subsection (f), along with interest in the amount that would have applied if the delinquent taxes had not been reduced or removed.

SECTION 136. IC 6-1.1-46 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 46. Property Tax Payment Deferral Program

Sec. 1. As used in this chapter, "base amount" means the amount of homestead property tax liability that is not subject to deferral, as determined under this chapter.

Sec. 2. As used in this chapter, "blind" has the meaning set forth in IC 6-1.1-12-11.

Sec. 3. As used in this chapter, "defer" means to delay the due date on which property taxes would otherwise be first due and payable.

Sec. 4. As used in this chapter, "disabled person" has the meaning set forth in IC 6-1.1-12-11.

Sec. 5. As used in this chapter, "homestead" has the meaning set forth in IC 6-1.1-20.9-1.

Sec. 6. As used in this chapter, "homestead property tax liability" refers to a liability for property taxes:

(1) that are assessed on tangible property that is a homestead; and

(2) that would be first due and payable in a certain year if the property taxes were not deferred under this chapter.

The term refers to a property tax liability after the application of all deductions and credits for which the homestead is eligible.

Sec. 7. (a) As used in this chapter, "property taxes" refers to ad valorem property taxes.

(b) The term does not include the following:

(1) Special assessments.

(2) Fees or charges that are included by law on a tax statement issued under IC 6-1.1-22-8 or IC 6-1.1-22.5.

Sec. 8. As used in this chapter, "qualified individual" means an

individual who meets all of the following criteria:

(1) Has a qualified interest in a homestead on the assessment date for which homestead property tax liability is imposed.

(2) Uses the homestead in which the individual has a qualified interest as the individual's principal place of residence.

(3) Either:

(A) is not delinquent in the payment of:

(i) any property taxes that are not deferred under this chapter, special assessments, or fees or charges that are included by law on a tax statement issued under IC 6-1.1-22-8 or IC 6-1.1-22.5 or a statement in another state; or

(ii) penalties or interest imposed for property taxes, special assessments, or fees or charges, including any deferred property taxes; or

(B) has been granted a waiver from the requirements of this subdivision by the county auditor in the county where the homestead is located.

(4) Is:

(A) at least sixty-five (65) years of age;

(B) blind; or

(C) a disabled person.

Sec. 9. As used in this chapter, "qualified interest" means the following:

(1) An ownership interest in a homestead.

(2) A beneficial interest in an entity that has an ownership interest in a homestead or a contract interest described in subdivision (3).

(3) An interest in a contract for the purchase of a homestead that:

(A) is recorded in the county recorder's office; and

(B) provides that a person purchasing the homestead is to pay the property taxes on the homestead.

Sec. 10. As used in this chapter, "qualified taxpayer" means any of the following persons:

(1) A qualified individual.

(2) An entity in which a qualified individual has a beneficial interest.

Sec. 11. Beginning with property taxes first due and payable in 2007, a qualified taxpayer may defer the due date for the part of the qualified taxpayer's homestead property tax liability permitted under this chapter.

Sec. 12. Property taxes deferred under this chapter are due and payable thirty (30) days after the date on which a deferral termination event described in section 13 of this chapter occurs.

Sec. 13. (a) Subject to subsections (b), (c), and (d), a deferral termination event occurs on the earliest of the following dates:

(1) The first date on which none of the qualified individuals who had a qualified interest in the homestead when the property taxes were deferred:

(A) use the homestead as their principal place of residence; or

(B) have a qualified interest in the homestead.

(2) The first date on which the mortgages and liens of record on the homestead exceed the assessed value of the homestead.

(3) The date on which a person with an ownership interest in the homestead files for bankruptcy or the homestead property is placed in receivership.

(b) For purposes of subsection (a), an individual shall be treated as using a homestead as the individual's principal place of residence if the individual:

(1) is absent from the homestead while in a health care facility (as defined in IC 16-18-2-161 or IC 16-28-13-0.5); and

(2) used the homestead as the individual's principal place of residence immediately before being admitted to a health care facility (as defined in IC 16-18-2-161 or IC 16-28-13-0.5).

(c) The estate of a deceased individual shall be treated as having the same rights the deceased individual had immediately before the individual died to do the following:

(1) Defer taxes that would otherwise be due and payable in the year the individual died.

(2) Continue to defer taxes that were deferred before the individual died.

(d) This subsection applies only to a surviving spouse who was not a qualified individual on the date on which property taxes were deferred. If a deceased individual was a qualified individual on the

date on which property taxes were deferred, the deceased individual's surviving spouse shall be treated after the deceased individual's death as if the surviving spouse had been a qualified individual on the date on which property taxes were deferred if:

(1) the homestead was the surviving spouse's principal place of residence when the deceased individual died;

(2) the surviving spouse has a qualifying interest in the homestead not later than the later of:

(A) the date of the deceased individual's death; or

(B) the date on which the estate of the deceased individual transfers any part of the ownership of the homestead from the estate; and

(3) the surviving spouse:

(A) is unmarried; or

(B) marries only after the surviving spouse becomes:

(i) at least sixty-five (65) years of age;

(ii) blind; or

(iii) a disabled person.

Sec. 14. The maximum amount that may be deferred in a year under this chapter is equal to the lesser of the following:

(1) The amount by which the homestead property tax liability on the current assessment date exceeds the base amount for the homestead.

(2) An amount equal to the assessed value of the homestead after subtracting the amount of all recorded mortgages and liens on the property on the date on which the property taxes would otherwise be first due and payable, excluding the lien for property taxes imposed on the current assessment date.

Sec. 15. The initial base amount for a homestead is determined as follows:

(1) If at least one (1) individual who is a qualified individual on the current assessment date qualified as a qualified individual on the first assessment date for the homestead after January 15, 2001, the initial base amount is the lesser of the following:

(A) One hundred twenty-five percent (125%) of the homestead property tax liability for the first assessment date for the homestead after January 15, 2001.

(B) The homestead property tax liability for the first assessment date for the homestead after January 15, 2002.

(2) If subdivision (1) does not apply, the initial base amount is the homestead property tax liability for the first assessment date for the homestead on which at least one (1) individual who is a qualified individual on the current assessment date qualified as a qualified individual.

Sec. 16. The base amount for a homestead is increased in any year in which the homestead property tax liability for the current assessment date exceeds the base amount that applied to the immediately preceding assessment date, including years occurring before calendar year 2007. The amount by which the base amount is increased under this section is equal to the amount determined under STEP SIX of the following formula:

STEP ONE: Determine the greater of zero (0) or the difference between the homestead property tax liability for the current assessment date and the base amount that applied to the immediately preceding assessment date.

STEP TWO: Determine the greater of zero (0) or the part of the STEP ONE amount, if any, that is attributable to an improvement to the homestead that is assessed for the first time on the current assessment date.

STEP THREE: Subtract the STEP TWO amount from the STEP ONE amount.

STEP FOUR: Determine the greater of the following:

(A) Zero (0).

(B) The STEP THREE amount.

STEP FIVE: Determine the lesser of the following:

(A) The STEP FOUR amount.

(B) One-tenth (0.1) of the base amount for the immediately preceding assessment date.

STEP SIX: Add the STEP TWO amount and the STEP FIVE amount.

The STEP SIX amount becomes the new base amount for subsequent assessment dates.

Sec. 17. To qualify for a deferral of homestead property tax liability in any year under this chapter, a qualified taxpayer must apply for the deferral:

(1) on the form, in the manner, and with the information prescribed by the department of local government finance; and

(2) before the date on which the installment being deferred is first due and payable.

The department of local government finance may provide forms allowing a qualified taxpayer to elect to defer property taxes for more than one (1) year. If the department of local government permits a multiyear election, the department of local government finance shall provide for the filing of amended forms whenever any of the information in a previously filed form ceases to be accurate or complete.

Sec. 18. An application for a deferral under this chapter must be filed with the county auditor in the county where the homestead is located. Upon the filing of an application, the county auditor shall immediately:

(1) notify the county treasurer and transmit the information that the county treasurer needs to match the application with county treasurer's records related to the homestead; and

(2) review the application to determine:

(A) whether the applicant qualifies for a deferral; and

(B) the amount that may be deferred.

Sec. 19. The filing of an application waives any interest and penalties that would otherwise be imposed for the nonpayment of property taxes by the due date only to the extent that the county auditor approves the application for the amount of the unpaid property taxes.

Sec. 20. If the applicant is qualified under this chapter for a deferral, the county auditor shall:

(1) approve the deferral in the lesser of:

(A) the amount requested by the applicant; or

(B) the maximum amount that may be deferred in the year;

(2) provide for the recording of the deferral in the office of the county recorder on the form and in the manner prescribed by the department of local government finance; and

(3) notify the county treasurer and the department of local government finance of the amount deferred on the form and

in the manner prescribed by the department of local government finance.

Sec. 21. An amount approved for deferral under this chapter for a particular year does not accrue interest until the fifth year after the amount otherwise would have been due if the amount had not been deferred. Beginning in the fifth year and on the installment date on which the amount otherwise would have been due, the deferred amount accrues interest at the rate set under IC 6-8.1-10-1 for delinquent listed taxes. The department of local government finance shall at least annually notify each county auditor of the interest rate that applies in the year to deferred property taxes. The amount of interest due shall be included in the next statement to the taxpayer mailed or transmitted under IC 6-1.1-22-8 or IC 6-1.1-22.5. The due date for the payment of interest imposed under this section is the first regular installment date after the mailing or transmission of the statement. Interest imposed under this section shall be deposited and distributed to taxing units in the same manner as interest and penalties on delinquent taxes. The nonpayment of interest due under this section shall be treated in the same manner as delinquent property taxes.

Sec. 22. Deferred property taxes may be paid at any time on or before the delayed due date established by this chapter without interest and penalties other than the interest imposed under this chapter. Payment of deferred property taxes after the delayed due date established by this chapter shall be collected in the same manner as delinquent property taxes. If a payment of deferred property taxes is made, the county treasurer shall notify the county auditor, the county recorder, and the department of local government finance on the form and in the manner prescribed by the department of local government finance. Notice to the county recorder must be in the form of a release of the lien on the homestead for the deferred property taxes.

Sec. 23. Whenever an individual who is a qualified individual on an assessment date for which property taxes were deferred:

(1) ceases to use the homestead as the individual's principal place of residence;

(2) ceases to have a qualified interest in the homestead; or

(3) changes the individual's qualified interest in the

homestead;

or a surviving spouse becomes a qualified individual, a person responsible for paying the property taxes on the homestead shall notify the county auditor in the county where the homestead is located on the form and in the manner prescribed by the department of local government finance. The county auditor shall review the information filed under this section to determine whether a deferral termination event has occurred.

Sec. 24. If, as the result of the filing of information with the county auditor or on the county auditor's own motion, the county auditor determines that a deferral termination event described in section 13 of this chapter has occurred, the county auditor shall notify the county treasurer, the county recorder, and the department of local government on the form and in the manner prescribed by the department of local government finance.

Sec. 25. A county auditor shall give written notice of each determination under this chapter to the qualified taxpayers and mortgage holders of record for the affected homestead. A qualified taxpayer may appeal an adverse determination under this chapter to the Indiana board not later than forty-five (45) days after notice of the determination.

Sec. 26. The county recorder shall record the following without charge in the miscellaneous records of the county recorder:

(1) A statement of the amount of property tax deferred under this chapter and interest imposed on the deferred property taxes.

(2) A statement of payment of deferred property taxes and interest on deferred property taxes.

(3) A notice of termination of a deferral.

Sec. 27. (a) Except:

(1) as required by federal law or regulation;

(2) if the loan from the lender:

(A) is made, guaranteed, or insured by a federal government lending or insuring agency; and

(B) requires the borrower to make payments to a lender with respect to an escrow or other type of account; or

(3) if the application of this section would impair the obligations of a borrower under an agreement executed before

April 15, 2006;

a lender may not require a borrower to maintain an escrow or other type of account with regard to taxes for which the borrower has elected to defer taxes under this chapter.

(b) Notice of a tax deferral in the records of the county recorder shall be treated as notice of a tax deferral to a lender.

(c) Any payments that are made by the borrower to an escrow or other type of account with regard to property taxes and that:

(1) were submitted before the time of submission of evidence of tax deferral, for any period; and

(2) have not been used in payment or partial payment of taxes;

must be refunded to the borrower within thirty (30) days after the deferral is approved and filed with the county recorder.

Sec. 28. Not later than the settlement date in the year in which property taxes are deferred under this chapter, the department of local government finance shall distribute to the county in which property taxes are deferred an amount equal to the amount of deferred property taxes not paid by the settlement date. The amount of the distribution under this section shall be deposited and distributed to taxing units in the same manner that the deferred property taxes would have been deposited and distributed.

Sec. 29. Not later than the settlement date in a year when a payment of deferred property taxes is made or deferred property taxes are collected as delinquent property taxes, the county treasurer shall transfer the amount to the department of local government finance for deposit in the state general fund.

SECTION 137. IC 6-2.5-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 1. (a) A retail merchant may not make a retail transaction in Indiana, unless ~~he~~ **the retail merchant** has applied for a registered retail merchant's certificate.

(b) A retail merchant may obtain a registered retail merchant's certificate by filing an application with the department and paying a registration fee of twenty-five dollars ($25) for each place of business listed on the application. The retail merchant shall also provide such security for payment of the tax as the department may require under IC 6-2.5-6-12.

(c) The retail merchant shall list on the application the location (including the township) of each place of business where ~~he~~ **the retail merchant** makes retail transactions. However, if the retail merchant does not have a fixed place of business, ~~he~~ **the retail merchant** shall list ~~his~~ **the retail merchant's** residence as ~~his~~ **the retail merchant's** place of business. In addition, a public utility may list only its principal Indiana office as its place of business for sales of public utility commodities or service, but the utility must also list on the application the places of business where it makes retail transactions other than sales of public utility commodities or service.

(d) Upon receiving a proper application, the correct fee, and the security for payment, if required, the department shall issue to the retail merchant a separate registered retail merchant's certificate for each place of business listed on the application. Each certificate shall bear a serial number and the location of the place of business for which it is issued.

(e) If a retail merchant intends to make retail transactions during a calendar year at a new Indiana place of business, ~~he~~ **the retail merchant** must file a supplemental application and pay the fee for that place of business.

(f) A retail merchant engaged in business in Indiana as defined in IC 6-2.5-3-1(c) who makes retail transactions that are only subject to the use tax must obtain a registered retail merchant's certificate before making those transactions. The retail merchant may obtain the certificate by following the same procedure as a retail merchant under subsections (b) and (c), except that the retail merchant must also include on the application:

(1) the names and addresses of the retail merchant's principal employees, agents, or representatives who engage in Indiana in the solicitation or negotiation of the retail transactions;

(2) the location of all of the retail merchant's places of business in Indiana, including offices and distribution houses; and

(3) any other information that the department requests.

(g) The department may permit an out-of-state retail merchant to collect the use tax. However, before the out-of-state retail merchant may collect the tax, ~~he~~ **the out-of-state retail merchant** must obtain a registered retail merchant's certificate in the manner provided by this section. Upon receiving the certificate, the out-of-state retail merchant

becomes subject to the same conditions and duties as an Indiana retail merchant and must then collect the use tax due on all sales of tangible personal property that ~~he~~ **the out-of-state retail merchant** knows is intended for use in Indiana.

(h) The department shall submit to the ~~township~~ **county** assessor before July 15 of each year:

(1) the name of each retail merchant that has newly obtained a registered retail merchant's certificate between March 2 of the preceding year and March 1 of the current year for a place of business located in the ~~township,~~ **county;** and

(2) the address of each place of business of the taxpayer in the ~~township.~~ **county.**

(i) The county assessor shall submit the names and addresses obtained under subsection (h) to the appropriate township assessor.

SECTION 138. IC 6-3.5-6-18.5, AS AMENDED BY P.L.234-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 18.5. (a) This section applies to a county containing a consolidated city.

(b) Notwithstanding section 18(e) of this chapter, the distributive shares that each civil taxing unit in a county containing a consolidated city is entitled to receive during a month equals the following:

(1) For the calendar year beginning January 1, 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month multiplied by the following factor:

Center Township	.0251
Decatur Township	.00217
Franklin Township	.0023
Lawrence Township	.01177
Perry Township	.01130
Pike Township	.01865
Warren Township	.01359
Washington Township	.01346
Wayne Township	.01307
Lawrence-City	.00858
Beech Grove	.00845
Southport	.00025
Speedway	.00722
Indianapolis/Marion County	.86409

(2) Notwithstanding subdivision (1), for the calendar year beginning January 1, 1995, the distributive shares for each civil taxing unit in a county containing a consolidated city shall be not less than the following:

Center Township	$1,898,145
Decatur Township	$164,103
Franklin Township	$173,934
Lawrence Township	$890,086
Perry Township	$854,544
Pike Township	$1,410,375
Warren Township	$1,027,721
Washington Township	$1,017,890
Wayne Township	$988,397
Lawrence-City	$648,848
Beech Grove	$639,017
Southport	$18,906
Speedway	$546,000

(3) For each year after 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month as follows:

STEP ONE: Determine the total amount of revenues that were distributed as distributive shares during that month in calendar year 1995.

STEP TWO: Determine the total amount of revenue that the department has certified as distributive shares for that month under section 17 of this chapter for the calendar year.

STEP THREE: Subtract the STEP ONE result from the STEP TWO result.

STEP FOUR: If the STEP THREE result is less than or equal to zero (0), multiply the STEP TWO result by the ratio established under subdivision (1).

STEP FIVE: Determine the ratio of:

(A) the maximum permissible property tax levy under IC 6-1.1-18.5 **and** IC 12-19-7 ~~and IC 12-19-7.5~~ for each civil taxing unit for the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund; divided by

(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5 **and** IC 12-19-7 ~~and IC 12-19-7.5~~ for all civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

STEP SIX: If the STEP THREE result is greater than zero (0), the STEP ONE amount shall be distributed by multiplying the STEP ONE amount by the ratio established under subdivision (1).

STEP SEVEN: For each taxing unit determine the STEP FIVE ratio multiplied by the STEP TWO amount.

STEP EIGHT: For each civil taxing unit determine the difference between the STEP SEVEN amount minus the product of the STEP ONE amount multiplied by the ratio established under subdivision (1). The STEP THREE excess shall be distributed as provided in STEP NINE only to the civil taxing units that have a STEP EIGHT difference greater than or equal to zero (0).

STEP NINE: For the civil taxing units qualifying for a distribution under STEP EIGHT, each civil taxing unit's share equals the STEP THREE excess multiplied by the ratio of:

(A) the maximum permissible property tax levy under IC 6-1.1-18.5 **and** IC 12-19-7 ~~and IC 12-19-7.5~~ for the qualifying civil taxing unit during the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund; divided by

(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5 **and** IC 12-19-7 ~~and IC 12-19-7.5~~ for all qualifying civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

SECTION 139. IC 6-3.5-8-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 12. (a) If the fiscal body of a municipality in a qualifying county adopts an ordinance

under section 11(a) of this chapter, the department of local government finance may not certify a budget for the municipality under IC 6-1.1-17-16(f) for the 2002 calendar year that is greater than ninety-seven percent (97%) of the budget of the municipality certified by the department for the 2001 calendar year. The department of local government finance may not certify a budget for the municipality under IC 6-1.1-17-16(f) for any later calendar year that is greater than ninety-seven percent (97%) of the budget of the municipality certified by the department for the calendar year that immediately precedes the later calendar year.

(b) If the fiscal body of a municipality in a qualifying county adopts an ordinance in a calendar year under section 11(c) of this chapter, the department of local government finance may not certify a budget for the municipality under IC 6-1.1-17-16(f) for the calendar year that immediately succeeds the calendar year in which the ordinance is adopted that is greater than ninety-seven percent (97%) of the budget of the municipality certified by the department for the calendar year in which the ordinance was adopted. The department of local government finance may not certify a budget for the municipality under IC 6-1.1-17-16(f) for any later calendar year that is greater than ninety-seven percent (97%) of the budget of the municipality certified by the department for the calendar year that immediately precedes the later calendar year.

(c) Before July 1 of 2002 and of each year thereafter, the department of local government finance shall review the budget approved for each municipality in a qualifying county in which a municipal option income tax is in effect to determine whether the restriction under subsection (a) or (b) has been applied. If the restriction has not been applied:

(1) the municipal option income tax is rescinded as of July 1 of the year in which the review was made;

(2) the municipality may not impose the municipal option income tax for any later year; and

(3) the municipality is:

(A) subject to subsection (d), if the municipality adopted the municipal option income tax in 2002; or

(B) subject to subsection (e), if the municipality adopted the municipal option income tax in a year that succeeds 2002.

(d) In May 2003, the department of state revenue shall determine for

each municipality subject to this subsection the amount of tax revenue collected for the municipality after August 31, 2001, and before July 1, 2002. The department of state revenue shall immediately notify the municipality of the amount determined under this subsection. Not later than thirty (30) days after receiving notification from the department of state revenue, the municipality shall transfer the amount determined by the department under this subsection from the municipality's general fund to the county family and children's fund of the qualifying county in which the municipality is located.

(e) In May 2004, and in May of each year thereafter, the department of state revenue shall determine for each municipality subject to this subsection the amount of tax revenue collected for the municipality after June 30 of the calendar year that precedes by two (2) years the calendar year in which the determination is made and before July 1 of the year that immediately precedes the calendar year in which the determination is made. The department of state revenue shall immediately notify the municipality of the amount determined under this subsection. Not later than thirty (30) days after receiving notification from the department of state revenue, the municipality shall transfer the amount determined by the department under this section from the municipality's general fund to the ~~county family and children's~~ **child welfare** fund of the qualifying county in which the municipality is located.

(f) If a municipality makes a transfer from its general fund to the county's ~~family and children's~~ **child welfare** fund as described in subsection (d) or (e), the department of local government finance shall reduce by the amount transferred the county's maximum ~~family and children's~~ **child welfare** fund levy under ~~IC 6-1.1-18.6~~ **IC 12-19-7** for the calendar year that immediately succeeds the year in which the transfer is made.

(g) This subsection applies if the fiscal body of a municipality in a qualifying county adopts an ordinance under section 11 of this chapter to impose a municipal option income tax. The maximum permissible ad valorem property tax levy of the municipality is not subject to any increase under IC 6-1.1-18.5-3(a) or IC 6-1.1-18.5-3(b) for taxes payable in:

(1) the calendar year that immediately succeeds the calendar year in which the ordinance is adopted; and

(2) each succeeding calendar year in which the municipal option income tax remains in effect.

(h) This subsection applies if the fiscal body of a municipality in a qualifying county adopts an ordinance under section 14 of this chapter to rescind the municipal option income tax, or if the municipal option income tax in a municipality is rescinded by operation of law. For purposes of IC 6-1.1-18.5-3(a) STEP ONE or IC 6-1.1-18.5-3(b) STEP ONE, the preceding calendar year is considered to be the calendar year in which an ordinance was adopted under section 11 of this chapter to impose the municipal option income tax.

SECTION 140. IC 6-8.1-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 1. (a) This subsection does not apply to the disclosure of information concerning a conviction on a tax evasion charge. Unless in accordance with a judicial order or as otherwise provided in this chapter, the department, its employees, former employees, counsel, agents, or any other person may not divulge the amount of tax paid by any taxpayer, terms of a settlement agreement executed between a taxpayer and the department, investigation records, investigation reports, or any other information disclosed by the reports filed under the provisions of the law relating to any of the listed taxes, including required information derived from a federal return, except to:

(1) members and employees of the department;

(2) the governor;

(3) the attorney general or any other legal representative of the state in any action in respect to the amount of tax due under the provisions of the law relating to any of the listed taxes; or

(4) any authorized officers of the United States;

when it is agreed that the information is to be confidential and to be used solely for official purposes.

(b) The information described in subsection (a) may be revealed upon the receipt of a certified request of any designated officer of the state tax department of any other state, district, territory, or possession of the United States when:

(1) the state, district, territory, or possession permits the exchange of like information with the taxing officials of the state; and

(2) it is agreed that the information is to be confidential and to be used solely for tax collection purposes.

(c) The information described in subsection (a) relating to a person on public welfare or a person who has made application for public welfare may be revealed to the director of the division of family and children, and to any county director of family and children located in Indiana, upon receipt of a written request from either director for the information. The information shall be treated as confidential by the directors. In addition, the information described in subsection (a) relating to a person who has been designated as an absent parent by the state Title IV-D agency shall be made available to the state Title IV-D agency upon request. The information shall be subject to the information safeguarding provisions of the state and federal Title IV-D programs.

(d) The name, address, Social Security number, and place of employment relating to any individual who is delinquent in paying educational loans owed to an institution of higher education may be revealed to that institution if it provides proof to the department that the individual is delinquent in paying for educational loans. This information shall be provided free of charge to approved institutions of higher learning (as defined by IC 20-12-21-3(2)). The department shall establish fees that all other institutions must pay to the department to obtain information under this subsection. However, these fees may not exceed the department's administrative costs in providing the information to the institution.

(e) The information described in subsection (a) relating to reports submitted under IC 6-6-1.1-502 concerning the number of gallons of gasoline sold by a distributor, and IC 6-6-2.5 concerning the number of gallons of special fuel sold by a supplier and the number of gallons of special fuel exported by a licensed exporter or imported by a licensed transporter may be released by the commissioner upon receipt of a written request for the information.

(f) The information described in subsection (a) may be revealed upon the receipt of a written request from the administrative head of a state agency of Indiana when:

(1) the state agency shows an official need for the information; and

(2) the administrative head of the state agency agrees that any information released will be kept confidential and will be used solely for official purposes.

(g) The name and address of retail merchants, including township, as specified in IC 6-2.5-8-1(h) may be released solely for tax collection purposes to township assessors **and county assessors.**

(h) The department shall notify the appropriate innkeepers' tax board, bureau, or commission that a taxpayer is delinquent in remitting innkeepers' taxes under IC 6-9.

(i) All information relating to the delinquency or evasion of the motor vehicle excise tax may be disclosed to the bureau of motor vehicles in Indiana and may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.

(j) All information relating to the delinquency or evasion of commercial vehicle excise taxes payable to the bureau of motor vehicles in Indiana may be disclosed to the bureau and may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.5.

(k) All information relating to the delinquency or evasion of commercial vehicle excise taxes payable under the International Registration Plan may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.5.

(l) This section does not apply to:

(1) the beer excise tax (IC 7.1-4-2);

(2) the liquor excise tax (IC 7.1-4-3);

(3) the wine excise tax (IC 7.1-4-4);

(4) the hard cider excise tax (IC 7.1-4-4.5);

(5) the malt excise tax (IC 7.1-4-5);

(6) the motor vehicle excise tax (IC 6-6-5);

(7) the commercial vehicle excise tax (IC 6-6-5.5); and

(8) the fees under IC 13-23.

(m) The name and business address of retail merchants within each county that sell tobacco products may be released to the division of mental health and addiction and the alcohol and tobacco commission solely for the purpose of the list prepared under ~~IC 6-2.5-6-14.~~ **IC 6-2.5-6-14.2.**

SECTION 141. IC 8-14-9-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 12. All bonds and interest on bonds issued under this chapter are exempt from taxation as

provided under IC 6-8-5-1. All general laws relating to:

(1) the filing of a petition requesting the issuance of bonds;

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; **or**

(B) vote on the proposed issuance in an election on a local public question;

(3) the appropriation of the proceeds of the bonds and the approval of the appropriation by the department of local government finance; and

(4) the sale of bonds at public sale for not less than par value;

are applicable to proceedings under this chapter.

SECTION 142. IC 8-22-3-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 16. (a) The board may issue general obligation bonds of the authority for the purpose of procuring funds to pay the cost of acquiring real property, or constructing, enlarging, improving, remodeling, repairing, or equipping buildings, structures, runways, or other facilities, for use as or in connection with or for administrative purposes of the airport. The issuance of the bonds must be authorized by ordinance of the board providing for the amount, terms, and tenor of the bonds and for the time and character of notice and the mode of making sale. If one (1) airport is owned by the authority, an ordinance authorizing the issuance of bonds for a separate second airport is subject to approval as provided in this section. The bonds bear interest and are payable at the times and places that the board determines but running not more than twenty-five (25) years after the date of their issuance, and they must be executed in the name of the authority by the president of the board and attested by the secretary who shall affix to each of the bonds the official seal of the authority. The interest coupons attached to the bonds may be executed by placing on them the facsimile signature of the president of the board.

(b) The issuance of general obligation bonds must be approved by resolution of the following body:

(1) When the authority is established by an eligible entity, by its fiscal body.

(2) When the authority is established by two (2) or more eligible entities acting jointly, by the fiscal body of each of those entities.

(3) When the authority was established under IC 19-6-2 **(before its repeal),** by the mayor of the consolidated city, and if a second

airport is to be funded, also by the city-county council.

(4) When the authority was established under IC 19-6-3 **(before its repeal),** by the county council.

(c) The airport director shall manage and supervise the preparation, advertisement, and sale of the bonds, subject to the authorizing ordinance. Before the sale of the bonds, the airport director shall cause notice of the sale to be published once each week for two (2) consecutive weeks in two (2) newspapers of general circulation published in the district, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the terms and conditions of sale and delivery of the bonds. The bonds shall be sold to the highest bidder, in accordance with the procedures for selling public bonds. After the bonds have been properly sold and executed, the airport director shall deliver them to the treasurer of the authority and take ~~his~~ **a** receipt for them, and shall certify to the treasurer the amount which the purchaser is to pay for them, together with the name and address of the purchaser. On payment of the purchase price the treasurer shall deliver the bonds to the purchaser, and the treasurer and airport director or superintendent shall report their actions to the board.

(d) The provisions of IC 6-1.1-20 and IC 5-1 relating to:

(1) the filing of a petition requesting the issuance of bonds and giving notice of them;

(2) the giving of notice of determination to issue bonds;

(3) the giving of notice of hearing on the appropriation of the proceeds of bonds and the right of taxpayers to appeal and be heard on the proposed appropriation;

(4) the approval of the appropriation by the department of local government finance;

(5) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; **or**

(B) vote on the proposed issuance in an election on a local public question; and

(6) the sale of bonds at public sale for not less than par value;

are applicable to proceedings under this chapter for the issuance of general obligation bonds.

(e) Bonds issued under this chapter are not a corporate obligation or indebtedness of any eligible entity but are an indebtedness of the

authority as a municipal corporation. An action to question the validity of the bonds issued or to prevent their issue must be instituted not later than the date set for sale of the bonds, and all of the bonds after that date are incontestable.

SECTION 143. IC 11-13-6-5.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5.5. (a) This section shall not be construed to limit ~~victim's~~ **victims'** rights granted by IC 35-40 or any other law.

(b) As used in this section, "sex offense" refers to a sex offense described in ~~IC 5-2-12-4(1).~~ **IC 5-2-12-4(a).**

(c) As used in this section, "victim" means a person who has suffered direct harm as a result of a delinquent act that would be a sex offense if the delinquent offender were an adult. The term includes a victim's representative appointed under IC 35-40-13.

(d) Unless a victim has requested in writing not to be notified, the department shall notify the victim involved in the adjudication of a delinquent offender committed to the department for a sex offense of the delinquent offender's:

(1) discharge from the department of correction;

(2) release from the department of correction under any temporary release program administered by the department;

(3) release on parole;

(4) parole release hearing under this chapter;

(5) parole violation hearing under this chapter; or

(6) escape from commitment to the department of correction.

(e) The department shall make the notification required under subsection (d):

(1) at least forty (40) days before a discharge, release, or hearing occurs; and

(2) not later than twenty-four (24) hours after the escape of a delinquent offender from commitment to the department of correction.

The department shall supply the information to a victim at the address supplied to the department by the victim. A victim is responsible for supplying the department with any change of address or telephone number of the victim.

(f) The ~~probation officer or~~ **department of child services** caseworker preparing the predispositional report under IC 31-37-17

shall inform the victim before the predispositional report is prepared of the right of the victim to receive notification from the department under subsection (d). The probation department or county office of family and children shall forward the most recent list of the addresses or telephone numbers, or both, of victims to the department. The probation department or county office of family and children shall supply the department with the information required by this section as soon as possible but not later than five (5) days after the receipt of the information. A victim is responsible for supplying the department with the correct address and telephone number of the victim.

(g) Notwithstanding IC 11-8-5-2 and IC 4-1-6, a delinquent offender may not have access to the name and address of a victim. Upon the filing of a motion by a person requesting or objecting to the release of victim information or representative information, or both, that is retained by the department, the court shall review in camera the information that is the subject of the motion before ruling on the motion.

(h) The notice required under subsection (d) must specify whether the delinquent offender is being discharged, is being released under a temporary release program administered by the department, is being released on parole, is having a parole release hearing, is having a parole violation hearing, or has escaped. The notice must contain the following information:

(1) The name of the delinquent offender.

(2) The date of the delinquent act.

(3) The date of the adjudication as a delinquent offender.

(4) The delinquent act of which the delinquent offender was adjudicated.

(5) The disposition imposed.

(6) The amount of time for which the delinquent offender was committed to the department.

(7) The date and location of the interview (if applicable).

SECTION 144. IC 12-7-2-64, AS AMENDED BY P.L.234-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 64. "Director" refers to the following:

(1) With respect to a particular division, the director of the division.

(2) With respect to a particular state institution, the director who has administrative control of and responsibility for the state institution.

(3) For purposes of IC 12-10-15, the term refers to the director of the division of disability, aging, and rehabilitative services.

~~(4) For purposes of IC 12-19-5, the term refers to the director of the department of child services established by IC 31-33-1.5-2.~~

~~(5)~~ **(4)** For purposes of IC 12-25, the term refers to the director of the division of mental health and addiction.

~~(6)~~ **(5)** For purposes of IC 12-26, the term:

(A) refers to the director who has administrative control of and responsibility for the appropriate state institution; and

(B) includes the director's designee.

~~(7)~~ **(6)** If subdivisions (1) through ~~(6)~~ **(5)** do not apply, the term refers to the director of any of the divisions.

SECTION 145. IC 12-7-2-91 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 91. "Fund" means the following:

(1) For purposes of IC 12-12-1-9, the fund described in IC 12-12-1-9.

~~(2) For purposes of IC 12-13-8, the meaning set forth in IC 12-13-8-1.~~

~~(3)~~ **(2)** For purposes of IC 12-15-20, the meaning set forth in IC 12-15-20-1.

~~(4)~~ **(3)** For purposes of IC 12-17-12, the meaning set forth in IC 12-17-12-4.

~~(5)~~ **(4)** For purposes of IC 12-17.6, the meaning set forth in IC 12-17.6-1-3.

~~(6)~~ **(5)** For purposes of IC 12-18-4, the meaning set forth in IC 12-18-4-1.

~~(7)~~ **(6)** For purposes of IC 12-18-5, the meaning set forth in IC 12-18-5-1.

~~(8)~~ **(7)** For purposes of IC 12-19-7, the meaning set forth in IC 12-19-7-2.

~~(9)~~ **(8)** For purposes of IC 12-23-2, the meaning set forth in IC 12-23-2-1.

~~(10)~~ **(9)** For purposes of IC 12-23-18, the meaning set forth in IC 12-23-18-4.

~~(11)~~ **(10)** For purposes of IC 12-24-6, the meaning set forth in IC 12-24-6-1.

~~(12)~~ **(11)** For purposes of IC 12-24-14, the meaning set forth in IC 12-24-14-1.

~~(13)~~ **(12)** For purposes of IC 12-30-7, the meaning set forth in IC 12-30-7-3.

SECTION 146. IC 12-13-5-5, AS AMENDED BY P.L.234-2005, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 5. (a) Each county auditor shall keep records and make reports relating to the county welfare fund (before July 1, 2001), the ~~family and children's~~ **child welfare** fund, and other financial transactions as required under IC 12-13 through IC 12-19 and as required by the division or the department of child services.

(b) All records provided for in IC 12-13 through IC 12-19 shall be kept, prepared, and submitted in the form required by the division or the department of child services and the state board of accounts.

SECTION 147. IC 12-13-7-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 17. The part of the care and maintenance of the inmates of the Plainfield Juvenile Correctional Facility and the Indianapolis Juvenile Correctional Facility that under law is to be charged back to the counties shall be paid from the county general fund. ~~and not the county family and children's fund, unless otherwise provided by law.~~

SECTION 148. IC 12-17-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 10. (a) Upon the completion of an investigation under section 9 of this chapter, the county office shall do the following:

(1) Determine whether the child is eligible for assistance under this chapter and the division's rules.

(2) Determine the amount of the assistance and the date on which the assistance is to begin.

(3) Make an award, including any subsequent modification of the award, with which the county office shall comply until the award or modified award is vacated.

(4) Notify the applicant and the division of the county office's decision in writing.

(b) The county office shall provide assistance to the recipient at least

monthly upon warrant of the county auditor. The assistance must be:

(1) ~~made~~ **paid by the state** from ~~the county family and children's fund;~~ **the sources of revenue described in IC 31-33-1.5-13;** and

(2) based upon a verified schedule of the recipients.

(c) The director of the county office shall prepare and verify the amount payable to the recipient, in relation to the awards made by the county office. The division shall prescribe the form upon which the schedule under subsection (b)(2) must be filed.

SECTION 149. IC 12-17-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 2. (a) This section does not apply to a county department's:

(1) administrative expenses; or

(2) expenses regarding facilities, supplies, and equipment.

(b) Necessary expenses incurred in the administration of the child welfare services under section 1 of this chapter shall be paid ~~out~~ **by the state from the sources** of ~~the county welfare fund or the county family and children's fund. (whichever is appropriate).~~ **revenue described in IC 31-33-1.5-13.**

SECTION 150. IC 12-19-1-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 14. (a) A county office may charge the following adoption fees:

(1) An adoption placement fee that may not exceed the actual costs incurred by the county office for medical expenses of children and mothers.

(2) A fee that does not exceed the time and travel costs incurred by the county office for home study and investigation concerning a contemplated adoption.

(b) Fees charged under this section shall be deposited in a separate account in the ~~county~~ family and children trust clearance fund established under section 16 of this chapter. Money deposited under this subsection shall be expended by the ~~county office~~ **division** for the following purposes without further appropriation:

(1) The care of children whose adoption is contemplated.

(2) The improvement of adoption services. ~~provided by the county departments.~~

(c) The director of the division may adopt rules governing the expenditure of money under this section.

(d) The division may provide written authorization allowing a

county office to reduce or waive charges authorized under this section in hardship cases or for other good cause after investigation. The division may adopt forms on which the written authorization is provided.

SECTION 151. IC 12-19-1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 15. (a) ~~A county office~~ **The department of child services** may receive and administer a gift, devise, or bequest of personal property, including the income from real property, that is:

(1) to or for the benefit of a home or an institution in which dependent or neglected children are cared for under the supervision of the ~~county office;~~ **department of child services or the division;** or

(2) for the benefit of children who are committed to the care or supervision of the ~~county office.~~ **department of child services or the division.**

(b) ~~A county office~~ **The department of child services** may invest or reinvest money received under this section in the same types of securities in which life insurance companies are authorized by law to invest the money of the life insurance companies.

(c) The following shall be kept in ~~a special~~ **the family and children trust clearance** fund and may not be commingled with any other fund or with money received from taxation:

(1) All money received by the ~~county office~~ **department of child services** under this section.

(2) All money, proceeds, or income realized from real property or other investments.

(d) Subject to the ~~approval of the judge or the court of the county having probate jurisdiction,~~ **conditions imposed on the gift, devise, or bequest by the donor,** money described in subsection (c)(1) or (c)(2) may be expended by the ~~county office~~ **department of child services or division** in any manner consistent with the purposes of the fund's creation and with the intention of the donor.

SECTION 152. IC 12-19-1-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 16. ~~(a) This section does not apply to money received to reimburse the county family and children's fund for expenditures made from the appropriations of the county office.~~

(a) The family and children trust clearance fund is established. The department of child services shall administer the fund as a trust fund. Money in the fund may be invested as money in other trust funds are invested. The balance of the fund at the end of a state fiscal year does not revert to the state general fund.

(b) ~~A county office~~ **The department of child services** may receive and administer money available to or for the benefit of a person receiving payments or services from the county office. The following applies to all money received under this section:

(1) The money shall be kept in ~~a special fund known as~~ the ~~county~~ family and children trust clearance fund and may not be commingled with any other fund or with money received from taxation.

(2) The money may be expended by the ~~county office~~ **department of child services or the division** in any manner consistent with the following:

(A) The purpose of the ~~county~~ family and children trust clearance fund or with the intention of the donor of the money.

(B) Indiana law.

SECTION 153. IC 12-19-1.5-3.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 3.5. As used in this chapter, "implementation date" means the following:**

(1) December 31, 1999, for pledges described in section 8(a)(1) of this chapter.

(2) March 31, 2006, for pledges described in section 8(a)(2) of this chapter.

SECTION 154. IC 12-19-1.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 6. As used in this chapter, "replacement amount" means the sum of the property taxes imposed on the assessed value of property in the allocation area in excess of the base assessed value in **the following:**

(1) 1999 for:

~~(1)~~ **(A)** the county welfare fund; and

~~(2)~~ **(B)** the county welfare administration fund.

(2) 2006 for:

(A) the county family and children's fund;

(B) the county children's psychiatric residential treatment

services fund;

(C) the county medical assistance to wards fund; and

(D) the children with special health care needs county fund.

SECTION 155. IC 12-19-1.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 8. (a) This chapter applies to an allocation area in which **either:**

(1) the:

(A) holders of obligations received a pledge before July 1, 1999, of tax increment revenues to repay any part of the obligations due after December 31, 1999; and

~~(2)~~ **(B)** the elimination of a county welfare fund property tax levy or a county welfare administration fund property tax levy adversely affects the ability of the governing body to repay the obligations described in ~~subdivision (1).~~ **clause (A); or**

(2) the:

(A) holders of obligations received a pledge before April 1, 2006, of tax increment revenues to repay any part of the obligations due after March 31, 2006; and

(B) limitations on the county family and children's fund levy, the county children's psychiatric residential treatment services fund levy, the county medical assistance to wards fund levy, or the children with special health care needs county fund levy enacted by the general assembly in 2006 adversely affects the ability of the governing body to repay the obligations described in clause (A).

(b) A governing body may use one (1) or more of the procedures described in sections 9 through 11 of this chapter to provide sufficient funds to repay the obligations described in subsection (a). The amount raised each year may not exceed the replacement amount.

SECTION 156. IC 12-19-1.5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 9. (a) A governing body may, after a public hearing, impose a special assessment on the owners of property that is located in an allocation area to repay a bond or an obligation described in section 8 of this chapter that comes due after ~~December 31, 1999.~~ **the implementation date.** The amount of a special assessment for a taxpayer shall be determined by multiplying the replacement amount by a fraction, the denominator of which is the total incremental assessed value in the

allocation area, and the numerator of which is the incremental assessed value of the taxpayer's property in the allocation area.

(b) Before a public hearing under subsection (a) may be held, the governing body must publish notice of the hearing under IC 5-3-1. The notice must state that the governing body will meet to consider whether a special assessment should be imposed under this chapter and whether the special assessment will help the governing body realize the redevelopment or economic development objectives for the allocation area or honor its obligations related to the allocation area. The notice must also name a date when the governing body will receive and hear remonstrances and objections from persons affected by the special assessment. All persons affected by the hearing, including all taxpayers within the allocation area, shall be considered notified of the pendency of the hearing and of subsequent acts, hearings, and orders of the governing body by the notice. At the hearing, which may be adjourned from time to time, the governing body shall hear all persons affected by the proceedings and shall consider all written remonstrances and objections that have been filed. The only grounds for remonstrance or objection are that the special assessment will not help the governing body realize the redevelopment or economic development objectives for the allocation area or honor its obligations related to the allocation area. After considering the evidence presented, the governing body shall take final action concerning the proposed special assessment. The final action taken by the governing body shall be recorded and is final and conclusive, except that an appeal may be taken in the manner prescribed by subsection (c).

(c) A person who filed a written remonstrance with a governing body under subsection (b) and is aggrieved by the final action taken may, within ten (10) days after that final action, file in the office of the clerk of the circuit or superior court a copy of the order of the governing body and the person's remonstrance or objection against that final action, together with a bond conditioned to pay the costs of appeal if the appeal is determined against the person. The only ground of remonstrance or objection that the court may hear is whether the proposed assessment will help achieve the redevelopment of economic development objectives for the allocation area or honor its obligations related to the allocation area. An appeal under this subsection shall be promptly heard by the court without a jury. All remonstrances or

objections upon which an appeal has been taken must be consolidated, heard, and determined within thirty (30) days after the time of the filing of the appeal. The court shall hear evidence on the remonstrances or objections, and may confirm the final action of the governing body or sustain the remonstrances or objections. The judgment of the court is final and conclusive, unless an appeal is taken as in other civil actions.

(d) The maximum amount of a special assessment under this section may not exceed the replacement amount.

(e) A special assessment shall be imposed and collected in the same manner as ad valorem property taxes are imposed and collected.

SECTION 157. IC 12-19-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 2. As used in this chapter, "fund" refers to a ~~family and children's~~ **child welfare** fund established by this chapter.

SECTION 158. IC 12-19-7-3, AS AMENDED BY P.L.234-2005, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. (a) A ~~family and children's~~ **child welfare** fund is established in each county.

(b) The ~~fund~~ **county** shall ~~be raised by~~ **levy** a separate tax levy (the county ~~family and children~~ **child welfare** property tax levy) **for the fund** that:

(1) is in addition to all other tax levies authorized **for the county;** and

(2) shall be levied annually by the county fiscal body on all taxable property in the county. ~~in the amount necessary to raise the part of the fund that the county must raise to pay the items, awards, claims, allowances, assistance, and other expenses set forth in the annual budget under section 6 of this chapter.~~

The total tax levy that a county may impose under this section equals the amount determined under section 4 of this chapter.

~~(b)~~ The **property** tax **levy** imposed under this section shall be collected as other state and county ad valorem **property** taxes are collected.

(c) The following shall be paid into the county treasury and constitute the ~~family and children's~~ **child welfare** fund:

(1) All receipts from the tax imposed under this section.

~~(2) All grants-in-aid, whether received from the federal government or state government.~~

(2) The:

(A) financial institutions tax (IC 6-5.5);

(B) motor vehicle excise taxes (IC 6-6-5);

(C) commercial vehicle excise tax (IC 6-6-5.5);

(D boat excise tax (IC 6-6-11); and

(E) aircraft excise tax (IC 6-6-6.5);

that are distributed to the county as a result of the county's share of property taxes imposed for the fund.

(3) Any other money required by law to be placed in the fund.

(d) The fund is available for the purpose of ~~paying expenses and obligations set forth in the annual budget that is submitted and approved.~~ **making a distribution to the state required under section 35 of this chapter.**

(e) Money in the fund at the end of a budget year does not revert to the county general fund.

SECTION 159. IC 12-19-7-4, AS AMENDED BY P.L.234-2005, SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 4. (a) For taxes first due and payable in each year after ~~2005,~~ **2006,** each county shall impose a county ~~family and children~~ **child welfare** property tax levy equal to the ~~county family and children property tax levy necessary to pay the costs of the child services of the county for the next fiscal year.~~ **result determined in STEP EIGHT of the following formula:**

STEP ONE: Determine the sum of the following:

(1) The result of:

(A) the amounts paid by the county in 2002, as determined by the state board of accounts, for child services or administration of the county office from the county family and children's fund, including amounts paid for psychiatric residential treatment services; minus

(B) the sum of:

(i) any grants-in-aid deposited in the county family and children's fund in 2002, whether received from the federal government or from the state;

(ii) any excise tax, income tax, or other revenue not derived from property taxes that was deposited in the county family and children's fund in 2002; plus

(iii) any other amounts received as reimbursements from

the state (including reimbursements made with federal money) and deposited in the county family and children's fund in 2002;

as adjusted by the department of local government finance by using the GDP implicit price inflator, state and local subseries, to account for inflation between 2002 and 2006.

(2) The result of:

(A) the amounts paid by the county in 2003, as determined by the state board of accounts, for child services or administration of the county office from the county family and children's fund, including amounts paid for psychiatric residential treatment services; minus

(B) the sum of:

(i) any grants-in-aid deposited in the county family and children's fund in 2003, whether received from the federal government or from the state;

(ii) any excise tax, income tax, or other revenue not derived from property taxes that was deposited in the county family and children's fund in 2003; plus

(iii) any other amounts received as reimbursements from the state (including reimbursements made with federal money) and deposited in the county family and children's fund in 2003;

as adjusted by the department of local government finance by using the GDP implicit price inflator, state and local subseries, to account for inflation between 2003 and 2006.

(3) The result of:

(A) the amounts paid by the county in 2004, as determined by the state board of accounts, for child services or administration of the county office from the county family and children's fund, including amounts paid for psychiatric residential treatment services; minus

(B) the sum of:

(i) any grants-in-aid deposited in the county family and children's fund in 2004, whether received from the federal government or from the state;

(ii) any excise tax, income tax, or other revenue not derived from property taxes that was deposited in the

county family and children's fund in 2004; plus

(iii) any other amounts received as reimbursements from the state (including reimbursements made with federal money) and deposited in the county family and children's fund in 2004;

as adjusted by the department of local government finance by using the GDP implicit price inflator, state and local subseries, to account for inflation between 2004 and 2006.

(4) The result of:

(A) the amounts paid by the county in 2005, as determined by the state board of accounts, for child services or administration of the county office from the county family and children's fund, including amounts paid for psychiatric residential treatment services; minus

(B) the sum of:

(i) any grants-in-aid deposited in the county family and children's fund in 2005, whether received from the federal government or from the state;

(ii) any excise tax, income tax, or other revenue not derived from property taxes that was deposited in the county family and children's fund in 2005; plus

(iii) any other amounts received as reimbursements from the state (including reimbursements made with federal money) and deposited in the county family and children's fund in 2005;

adjusted by the department of local government finance by using the GDP implicit price inflator, state and local subseries, to account for inflation between 2005 and 2006.

STEP TWO: Determine the result of the STEP ONE amount divided by four (4).

STEP THREE: Determine the result of:

(1) the STEP TWO amount; plus

(2) the result of:

(A) the cost of services ordered by a juvenile court that have been charged back to the county under IC 31-40-1-2 (as effective after June 30, 2006) in the preceding year; minus

(B) the sum of the estimated or actual amounts of a

parent's or guardian's payments under IC 31-40-1 and distributions of excise taxes described in section 3(c)(2) of this chapter that the department of local government finance applies to reduce the levy imposed under this subsection.

STEP FOUR: Determine the sum of the following:

(1) The result of:

(A) the amounts paid by the county in 2004, as determined by the state board of accounts, for children's psychiatric residential treatment services from the county children's psychiatric residential treatment services fund; minus

(B) the sum of:

(i) any grants-in-aid deposited in the county children's psychiatric residential treatment services fund in 2004, whether received from the federal government or from the state;

(ii) any excise tax, income tax, or other revenue not derived from property taxes that was deposited in the county children's psychiatric residential treatment services fund in 2004; plus

(iii) any other amounts received as reimbursements from the state (including reimbursements made with federal money) and deposited in the county children's psychiatric residential treatment services fund in 2004;

as adjusted by the department of local government finance by using the GDP implicit price inflator, state and local subseries, to account for inflation between 2004 and 2006.

(2) The result of:

(A) the amounts paid by the county in 2005, as determined by the state board of accounts, for children's psychiatric residential treatment services from the county children's psychiatric residential treatment services fund; minus

(B) the sum of:

(i) any grants-in-aid deposited in the county children's psychiatric residential treatment services fund in 2005, whether received from the federal government or from

the state;

(ii) any excise tax, income tax, or other revenue not derived from property taxes that was deposited in the county children's psychiatric residential treatment services fund in 2005; plus

(iii) any other amounts received as reimbursements from the state (including reimbursements made with federal money) and deposited in the county children's psychiatric residential treatment services fund in 2005;

adjusted by the department of local government finance by using the GDP implicit price inflator, state and local subseries, to account for inflation between 2005 and 2006.

STEP FIVE: Determine the result of the STEP FOUR amount divided by two (2).

STEP SIX: Determine the amount of the county's medical assistance property tax levy imposed in 2006.

STEP SEVEN: Determine the amount of the county's children with special health care needs property tax levy imposed in 2006.

STEP EIGHT: Determine the sum of the following:

(1) The STEP THREE result.

(2) The STEP FIVE result.

(3) The STEP SIX amount.

(4) The STEP SEVEN amount.

(b) The department of local government finance shall review each county's property tax levy under this section and shall enforce the requirements of this section with respect to that levy. ~~and comply with IC 6-1.1-17-3.~~ **The department of local government finance may increase a county's levy in a year above the amount advertised for the fund to comply with this subsection.**

SECTION 160. IC 12-19-7-35 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 35. (a) Subject to this section, before the fifth day of each month, all money contained in a county's fund at the end of the preceding month shall be transferred to the state child welfare fund established by IC 31-33-1.5-13.**

(b) Money deposited in the county family and children's fund

from:

(1) property taxes imposed for an assessment date before January 16, 2006;

(2) the proceeds of bonds issued or loans taken out under IC 12-19-5 (repealed), IC 12-19-7.5, or a predecessor law to pay an obligation related to child services provided before January 1, 2007;

(3) the:

(A) financial institutions tax (IC 6-5.5);

(B) motor vehicle excise taxes (IC 6-6-5);

(C) commercial vehicle excise tax (IC 6-6-5.5);

(D boat excise tax (IC 6-6-11); and

(E) aircraft excise tax (IC 6-6-6.5);

that are distributed to the county as a result of the county's share of property taxes imposed before January 1, 2007, for the fund; and

(4) grants-in-aid, fees collected from a parent, guardian, or custodian of a child, and other money attributable to child services provided before January 1, 2007;

shall be used by a county to reduce the obligation of the county to pay for expenditures for child services and any other obligations that were incurred before January 1, 2007, and payable from the fund at the time they were incurred.

(c) The department of child services, with the approval of the state board of accounts, shall prescribe procedures and standards for allocating money in the fund between the purposes described in subsections (a), (b), and (e). A county shall use money in the fund in conformity with the procedures and standards prescribed in this subsection.

(d) The part of any outstanding obligation of the county family and children's fund that was incurred before January 1, 2007, and exceeds the amount retained under subsection (b), including the amount needed to repay the principal and interest on bonds issued under IC 12-19-7-31 (repealed), shall be transferred, after December 31, 2006, from the fund to the county's debt service fund or another sinking fund. The county may issue bonds under IC 36-2-6-18 to pay or refund the obligation. The county shall add to the tax duplicate of the county an annual levy sufficient to pay:

(1) the outstanding obligation or bonds issued to pay the outstanding obligation; and

(2) any interest due on the outstanding obligation or bonds issued to pay the outstanding obligation.

(e) Money deposited in the children's psychiatric residential treatment services fund from:

(1) property taxes imposed for an assessment date before January 16, 2006;

(2) the proceeds of bonds issued or loans taken out under IC 12-19-5 (repealed), IC 12-19-7, IC 12-19-7.5, or a predecessor law to pay an obligation related to children's psychiatric residential treatment services provided before January 1, 2007;

(3) the:

(A) financial institutions tax (IC 6-5.5);

(B) motor vehicle excise taxes (IC 6-6-5);

(C) commercial vehicle excise tax (IC 6-6-5.5);

(D boat excise tax (IC 6-6-11); and

(E) aircraft excise tax (IC 6-6-6.5);

that are distributed to the county as a result of the county's share of property taxes imposed before January 1, 2007, for the fund; and

(4) grants-in-aid, fees collected from a parent, guardian, or custodian of a child, and other money attributable to children's psychiatric residential treatment services provided before January 1, 2007;

shall be used by a county to reduce the obligation of the county to pay for expenditures for children's psychiatric residential treatment services and any other obligations that were incurred before January 1, 2007, and payable from the fund at the time they were incurred.

(f) The part of any outstanding obligation of the county children's psychiatric residential treatment services fund that was incurred before January 1, 2007, and exceeds the amount retained under subsection (e), including the amount needed to repay the principal and interest on bonds issued under IC 12-19-7.5-30 (repealed), shall be transferred, after December 31, 2006, from the fund to the county's debt service fund or another sinking fund. The

county may issue bonds under IC 36-2-6-18 to pay or refund the obligation. The county shall add to the tax duplicate of the county an annual levy sufficient to pay:

(1) the outstanding obligation or bonds issued to pay the outstanding obligation; and

(2) any interest due on the outstanding obligation or bonds issued to pay the outstanding obligation.

SECTION 161. IC 12-29-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5. All general Indiana statutes relating to the following apply to the issuance of county bonds under this chapter:

(1) The filing of a petition requesting the issuance of bonds.

(2) The giving of notice of the following:

(A) The filing of the petition requesting the issuance of the bonds.

(B) The determination to issue bonds.

(C) A hearing on the appropriation of the proceeds of the bonds.

(3) The right of taxpayers to appear and be heard on the proposed appropriation.

(4) The approval of the appropriation by the department of local government finance.

(5) The right of taxpayers to:

(A) remonstrate against the issuance of bonds; **or**

(B) vote on the proposed issuance in an election on a local public question.

SECTION 162. IC 12-29-2-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 18. All general Indiana statutes relating to the following apply to the issuance of county bonds under this chapter:

(1) The filing of a petition requesting the issuance of bonds.

(2) The giving of notice of the following:

(A) The filing of the petition requesting the issuance of the bonds.

(B) The determination to issue bonds.

(C) A hearing on the appropriation of the proceeds of the bonds.

(3) The right of taxpayers to appear and be heard on the proposed

appropriation.

(4) The approval of the appropriation by the department of local government finance.

(5) The right of taxpayers to:

(A) remonstrate against the issuance of bonds; **or**

(B) vote on the proposed issuance in an election on a local public question.

SECTION 163. IC 14-27-6-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 40. The provisions of IC 5-1 and IC 6-1.1-20 relating to the following apply to proceedings under this chapter:

(1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.

(2) The giving of notice of determination to issue bonds.

(3) The giving of notice of hearing on the appropriation of the proceeds of bonds and the right of taxpayers to appeal and be heard on the proposed appropriation.

(4) The approval of the appropriation by the department of local government finance.

(5) The right of taxpayers to:

(A) remonstrate against the issuance of bonds; **or**

(B) vote on the proposed issuance in an election on a local public question.

(6) The sale of bonds at public sale for not less than the par value.

SECTION 164. IC 14-33-11-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) Before offering bonds for sale, the board shall give notice in the same manner as is ~~provided~~ **required by IC 6-1.1-20** for the sale of bonds by municipal corporations.

(b) Persons affected are entitled to:

(1) remonstrate against issuance of the bonds **(in the case of a project costing the board less than ten million dollars ($10,000,000)); or**

(2) vote on the proposed issuance in an election on a local public question (in the case of a preliminary determination made after June 30, 2006, to issue bonds for a project costing the board at least ten million dollars ($10,000,000)).

(c) An action to question the validity of the bonds may not be

instituted after the date fixed for sale, and the bonds are incontestable after that time.

SECTION 165. IC 14-33-11-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. If the board is denied the right to issue bonds as a result of remonstrance proceedings **or an election on a local public question held under IC 6-1.1-20-3.6:**

(1) all contracts let by the board for work to be paid from the sale of bonds are void; and

(2) no liability accrues to the district or to the board.

SECTION 166. IC 15-5-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1. If a dog kills or injures any livestock while the livestock is in the care, custody, and control of the livestock's owner or ~~his~~ **the owner's** agent, the owner or harborer of the dog is liable to the owner of the livestock for all damages sustained, including ~~his~~ reasonable attorney's fees and the court costs. ~~if the appropriate dog tax has not been paid on the dog, triple damages may be awarded.~~

SECTION 167. IC 15-5-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 1. (a) The township assessor, **or the township trustee in a township that is not served by a township assessor,** shall make a diligent census as to the number of dogs owned, harbored, or kept by any person. A person owning or harboring a dog shall pay immediately to the township assessor **or township trustee** a tax for each dog owned, harbored, or kept on the same premises, whether owned by that person or some other person, as follows:

(1) Except as provided in subsection (d), for each neutered dog, two dollars ($2).

(2) For each nonneutered dog, four dollars ($4).

(3) For each additional dog, six dollars ($6).

No dog under six (6) months of age is subject to any tax under this chapter. Whoever becomes the owner or harborer of a dog after the dog census by the township assessor **or township trustee** or any owner or harborer of a dog for which for any reason the assessor **or trustee** failed to collect the tax, shall, within thirty (30) days after becoming the owner or harborer of a dog, apply to the assessor **or trustee,** or the assessor's **or trustee's** designee, pay the required fee, and procure a tag for the dog.

(b) Dogs kept in kennels for breeding, boarding, or training purposes or for sale shall not be assessed an individual license fee, but the owner or keeper shall pay a kennel license fee according to the following schedule:

(1) For a major kennel, consisting of fifteen (15) or more dogs, a fee of thirty dollars ($30).

(2) For a minor kennel, consisting of less than fifteen (15) dogs, a fee of twenty dollars ($20).

For each individual dog tag or kennel license issued under this chapter, the township assessor or trustee who collects the fee shall retain from the fee described in this section, an administrative fee of fifty cents ($0.50). Administrative fees collected by the assessor shall be deposited in the county general fund, and administrative fees collected by the trustee shall be deposited in the township general fund.

(c) Upon the payment of the license fee required by subsection (b), the township assessor **or township trustee** shall deliver to the owner or keeper of the kennel a proper license together with a metallic tag for each dog in such kennel. The license shall be dated and numbered and shall bear the name of the county issuing it and the name and address of the owner of the kennel licensed, and a description of the breed, number, sex, and age of the dogs kept in such kennel. Any person becoming the owner of a dog kennel shall, within thirty (30) days after becoming the owner, apply to the township assessor, township trustee, or assessor's **or trustee's** designee and, upon payment of the required fee, procure a license and a metallic tag for all dogs kept in the kennel.

(d) A county council may increase the tax on neutered dogs imposed under subsection (a) from two dollars ($2) to three dollars ($3).

(e) A township assessor or a township trustee ~~who has the duties of a township assessor)~~ may designate one (1) or more licensed veterinarians or humane societies in the assessor's **or trustee's** township to collect the dog taxes and kennel license fees and issue the licenses under this chapter. A designee may retain seventy-five cents ($0.75) as a fee for that service and remit the balance of the money collected to the township trustee by the tenth day of each month. As used in this subsection, "humane society" includes an animal shelter, animal control center, or other animal impounding facility that has as its purpose the humane treatment of animals.

SECTION 168. IC 15-5-9-2 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 2. (a) The township assessor **or township trustee** shall give to each person a receipt for the money paid the assessor **or trustee,** which shall be designated for dog tax. The receipt shall show the person's name who owns, harbors, or keeps the dog, the amount paid, and the number, description, and kind of dogs paid for, whether male or female, and the number of each. The receipt relieves the person owning, keeping, or harboring dogs for the current year, extending one (1) year from its date. The assessor **or trustee** shall keep a record of persons owning dogs subject to taxation and a record of the dogs paid for. The assessor **or trustee** shall keep a stub record or copy of the receipts given for money paid as dog tax. The stub record shall show the amount paid, the number of dogs, both male and female, paid for, and the person's name owning the dogs paid for. At the time when the receipt is issued to the person, the assessor **or trustee** shall give to the person a tag, which shall be attached to the collar worn by the dog.

(b) Before July 1 each year, the township assessor shall turn over to the township trustee all the records kept by the assessor relating to the collecting and payment of dog taxes and kennel license fees, and a copy of all receipts given by the assessor to persons having paid dog taxes and kennel license fees, and all money received by the assessor as dog taxes, and all tags left in the assessor's possession. The **township** assessor **or township trustee** shall assess against each person who failed to pay to the assessor **or trustee** the amount of any license fee owed by the person, and the amount of the license fees shall be placed upon the tax duplicate by the county auditor and collected as taxes are collected.

(c) From July 1 each year until March 1 of the next year, the township trustee shall receive any license fees subject to be paid under this chapter and issue any licenses under this chapter that may be received or issued by the township assessor under this chapter.

SECTION 169. IC 15-5-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3. The township assessor **or township trustee** shall, before July 1 each year, report the amount collected as dog tax and kennel license fees to the county auditor. The dog taxes and kennel license fees collected by the assessor shall be turned over by the assessor to the township trustee of the assessor's township The county auditor shall make a record of the same,

and charge the amount stated in the report against the township trustee as receipts from the county dog fund.

SECTION 170. IC 15-5-9-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 4. (a) Each township assessor **or township trustee** shall perform the duties imposed by this chapter. If a dog owner has failed to turn in a dog for taxation purposes, the assessor **or trustee** shall notify the owner that the assessor **or trustee** is listing the unpaid taxes within a period of ten (10) days, at which time the person will be assessed double the amount of taxes provided by this chapter unless the person owning the dog appears voluntarily within the ten (10) days and:

(1) proves to the satisfaction of the assessor **or trustee** that the person owned no such dog at the time the census was made; or

(2) makes an affidavit to be kept on file by the assessor **or trustee** to the effect that the failure to report a dog for taxation was not intentional and was not purposely omitted for the purpose of avoiding payment of taxes.

(b) Each **township** assessor **or township trustee** shall keep a complete list of all dogs subject to the tax under this chapter together with the names of their owners on record in the assessor's **or trustee's** office at all times and available to the public. If any person shall acquire, own, harbor, or keep any dog after the assessor **or trustee** has completed the census, the person shall report the dog to and pay to the assessor **or trustee** the amount of dog tax as provided in this chapter and receive a receipt and tag for the payment. The receipt and tag exempts the person from further payment of dog tax on dogs described in the receipt for one (1) year from the date of the receipt.

SECTION 171. IC 15-5-9-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 6. Every person liable to taxation in any township and residing in the township when listed for taxation shall make and subscribe to an oath to the township assessor **or township trustee** in which the person states the number of dogs neutered or unneutered over the age of six (6) months and owned or harbored by the person.

SECTION 172. IC 15-5-9-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 12. (a) At the time when the dog kennel license fee is paid to the township assessor **or township trustee,** the assessor **or trustee,** at the time when the

assessor **or trustee** issues a receipt, shall likewise furnish to the person a metal tag. The metal tag furnished shall be attached securely to the collar of the dog for which the license fee has been paid and the collar, with the tag attached, shall be worn continuously by the dog.

(b) All license tags shall be of uniform design or color for any one (1) year, but the same color or shape shall not be used for any two (2) consecutive years. All tags shall be designed by the auditor of state, shall be paid for out of the state dog account, and shall be manufactured at the state prison in the same manner as motor vehicle registration plates. Each tag shall have a distinct number and the number of the tag shall appear on the receipt issued to the owner of the dog.

(c) If any dog tag is lost, it shall be replaced without cost by the **township** assessor **or township trustee** upon application by the owner of the dog and upon the production of the receipt and a sworn statement of the facts regarding the loss of the tag. No license tag is transferable to another dog.

SECTION 173. IC 16-22-6-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 20. (a) If the execution of the original or a modified lease is authorized, notice of the signing shall be published on behalf of the county one (1) time in a newspaper of general circulation and published in the county. Except as provided in subsection (b), at least ten (10) taxpayers in the county whose tax rate will be affected by the proposed lease may file a petition with the county auditor not more than thirty (30) days after publication of notice of the execution of the lease. The petition must set forth the objections to the lease and facts showing that the execution of the lease is unnecessary or unwise or that the lease rental is not fair and reasonable.

(b) The authority for taxpayers to object to a proposed lease described in subsection (a) does not apply if the authority complies with the procedures for the issuance of bonds and other evidences of indebtedness described in ~~IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2.~~ **IC 6-1.1-20.**

SECTION 174. IC 16-22-8-43 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 43. (a) The board may issue general obligation bonds of the corporation to procure funds to pay the cost of acquiring real property or constructing, enlarging, improving, remodeling, repairing, or equipping buildings and other structures for use as or in connection with hospitals, clinics, health

centers, dispensaries, or for administrative purposes. The issuance of the bonds shall be authorized by ordinance of the board providing for the amount, terms, and tenor of the bonds, for the time and character of notice, and the mode of making the sale. The bonds shall be payable not more than forty (40) years after the date of issuance and shall be executed in the name of the corporation by the chairman of the board and attested by the executive director, who shall affix to each of the bonds the official seal of the corporation. The interest coupons attached to the bonds may be executed by facsimile signature of the chairman of the board.

(b) The executive director shall manage and supervise the preparation, advertisement, and sale of bonds, subject to the provisions of the authorizing ordinance. Before the sale of the bonds, the executive director shall publish notice of the sale in accordance with IC 5-3-1, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the terms and conditions of sale and delivery of the bonds. The bonds shall be sold to the highest and best bidder. After the bonds have been sold and executed, the executive director shall deliver the bonds to the treasurer of the corporation and take the treasurer's receipt, and shall certify to the treasurer the amount that the purchaser is to pay, together with the name and address of the purchaser. On payment of the purchase price, the treasurer shall deliver the bonds to the purchaser, and the treasurer and executive director shall report the actions to the board.

(c) IC 5-1 and IC 6-1.1-20 apply to the following proceedings:

(1) Notice and filing of the petition requesting the issuance of the bonds.

(2) Notice of determination to issue bonds.

(3) Notice of hearing on the appropriation of the proceeds of the bonds and the right of taxpayers to appeal and be heard.

(4) Approval by the department of local government finance.

(5) The right to:

(A) remonstrate; **or**

(B) vote on the proposed issuance in an election on a local public question.

(6) Sale of bonds at public sale for not less than the par value.

(d) The bonds are the direct general obligations of the corporation

and are payable out of unlimited ad valorem taxes levied and collected on all the taxable property within the county of the corporation. All officials and bodies having to do with the levying of taxes for the corporation shall see that sufficient levies are made to meet the principal and interest on the bonds at the time fixed for payment.

(e) The bonds are exempt from taxation for all purposes but the interest is subject to the adjusted gross income tax.

SECTION 175. IC 16-33-4-17.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 17.5. (a) **The department of child services shall pay,** in the case of a child who is:

(1) admitted to the home from another county; and

(2) adjudicated to be a delinquent child or child in need of services by the juvenile court in the county where the home is located;

~~the juvenile court may order the county office of family and children of the child's county of residence~~ before the child's admission to the home ~~to reimburse~~ the cost of services ordered by the juvenile court, including related transportation costs, and any cost incurred ~~by the county~~ to transport or detain the child before the order is issued.

(b) ~~A county office of family and children ordered to reimburse costs under this section~~ **The department of child services** shall pay the amount ordered from the ~~county family and children's fund.~~ **sources of revenue described in IC 31-33-1.5-13.**

(c) The county office of family and children may require the parent or guardian of the child, other than a parent, guardian, or custodian associated with the home, to reimburse the ~~county family and children's fund~~ **department of child services** for an amount paid under this section.

(d) A child who is admitted to the home does not become a resident of the county where the home is located.

(e) When an unemancipated child is released from the home, the county office of family and children for the child's county of residence before entering the home is responsible for transporting the child to the parent or guardian of the child. If a parent or guardian does not exist for an unemancipated child released from the home, the county office of family and children of the child's county of residence before entering the home shall obtain custody of the child.

SECTION 176. IC 20-26-11-12, AS ADDED BY P.L.1-2005,

SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 12. (a) If a student is transferred under section 5 of this chapter from a school corporation in Indiana to a public school corporation in another state, the transferor corporation shall pay the transferee corporation the full tuition fee charged by the transferee corporation. However, the amount of the full tuition fee may not exceed the amount charged by the transferor corporation for the same class of school, or if the school does not have the same classification, the amount may not exceed the amount charged by the geographically nearest school corporation in Indiana that has the same classification.

(b) If a child is:

(1) placed by a court order in an out-of-state institution or other facility; and

(2) provided all educational programs and services by a public school corporation in the state where the child is placed, whether at the facility, the public school, or another location;

the ~~county office of family and children for the county placing the child~~ **department of child services** shall pay from the ~~county family and children's fund~~ **sources of revenue described in IC 31-33-1.5-13** to the public school corporation in which the child is enrolled the amount of transfer tuition specified in subsection (c).

(c) The transfer tuition for which a county office is obligated under subsection (b) is equal to the following:

(1) The amount under a written agreement among the ~~county office,~~ **department of child services,** the institution or other facility, and the governing body of the public school corporation in the other state that specifies the amount and method of computing transfer tuition.

(2) The full tuition fee charged by the transferee corporation, if subdivision (1) does not apply. However, the amount of the full tuition fee must not exceed the amount charged by the transferor corporation for the same class of school, or if the school does not have the same classification, the amount must not exceed the amount charged by the geographically nearest school corporation in Indiana that has the same classification.

(d) If a child is:

(1) placed by a court order in an out-of-state institution or other

facility; and

(2) provided:

(A) onsite educational programs and services either through the facility's employees or by contract with another person or organization that is not a public school corporation; or

(B) educational programs and services by a nonpublic school;

the ~~county office of family and children for the county placing the child~~ **department of child services** shall pay from the ~~county family and children's fund~~ **sources of revenue described in IC 31-33-1.5-13** in an amount and in the manner specified in a written agreement between the ~~county office~~ **department of child services** and the institution or other facility.

(e) An agreement described in subsection (c) or (d) is subject to the approval of the director of the division of family and children. However, for purposes of IC 4-13-2, the agreement shall not be treated as a contract.

SECTION 177. IC 20-26-11-13, AS ADDED BY P.L.1-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 13. (a) As used in this section, the following terms have the following meanings:

(1) "ADM" means the following:

(A) For purposes of allocating to a transfer student state distributions under IC 21-1-30 (primetime), "ADM" as computed under IC 21-1-30-2.

(B) For all other purposes, "ADM" as set forth in IC 21-3-1.6-1.1.

(2) "Class of school" refers to a classification of each school or program in the transferee corporation by the grades or special programs taught at the school. Generally, these classifications are denominated as kindergarten, elementary school, middle school or junior high school, high school, and special schools or classes, such as schools or classes for special education, vocational training, or career education.

(3) "Special equipment" means equipment that during a school year:

(A) is used only when a child with disabilities is attending school;

(B) is not used to transport a child to or from a place where the

child is attending school;

(C) is necessary for the education of each child with disabilities that uses the equipment, as determined under the individualized education program for the child; and

(D) is not used for or by any child who is not a child with disabilities.

(4) "Student enrollment" means the following:

(A) The total number of students in kindergarten through grade 12 who are enrolled in a transferee school corporation on a date determined by the state board.

(B) The total number of students enrolled in a class of school in a transferee school corporation on a date determined by the state board.

However, a kindergarten student shall be counted under clauses (A) and (B) as one-half (1/2) student. The state board may select a different date for counts under this subdivision. However, the same date shall be used for all school corporations making a count for the same class of school.

(b) Each transferee corporation is entitled to receive for each school year on account of each transferred student, except a student transferred under section 6 of this chapter, transfer tuition from the transferor corporation or the state as provided in this chapter. Transfer tuition equals the amount determined under STEP THREE of the following formula:

STEP ONE: Allocate to each transfer student the capital expenditures for any special equipment used by the transfer student and a proportionate share of the operating costs incurred by the transferee school for the class of school where the transfer student is enrolled.

STEP TWO: If the transferee school included the transfer student in the transferee school's ADM for a school year, allocate to the transfer student a proportionate share of the following general fund revenues of the transferee school for, except as provided in clause (C), the calendar year in which the school year ends:

(A) The following state distributions that are computed in any part using ADM or other student count in which the student is included:

(i) Primetime grant under IC 21-1-30.

(ii) Tuition support for basic programs.

~~(iii) Enrollment growth grant under IC 21-3-1.7-9.5.~~

~~(iv) At-risk grant under IC 21-3-1.7-9.7.~~

~~(v)~~ **(iii)** Academic honors diploma award under IC 21-3-1.7-9.8.

~~(vi)~~ **(iv)** Vocational education grant under IC 21-3-12.

~~(vii)~~ **(v)** Special education grant under IC 21-3-2.1.

~~(viii) The portion of the ADA flat grant that is available for the payment of general operating expenses under IC 21-3-4.5-2(b)(1).~~

(B) Property tax levies.

(C) Excise tax revenue (as defined in IC 21-3-1.7-2) received for deposit in the calendar year in which the school year begins.

(D) Allocations to the transferee school under IC 6-3.5.

STEP THREE: Determine the greater of:

(A) zero (0); or

(B) the result of subtracting the STEP TWO amount from the STEP ONE amount.

If a child is placed in an institution or facility in Indiana under a court order, the institution or facility shall charge the ~~county office of the county of the student's legal settlement under IC 12-19-7~~ **department of child services** for the use of the space within the institution or facility (commonly called capital costs) that is used to provide educational services to the child based upon a prorated per student cost.

(c) Operating costs shall be determined for each class of school where a transfer student is enrolled. The operating cost for each class of school is based on the total expenditures of the transferee corporation for the class of school from its general fund expenditures as specified in the classified budget forms prescribed by the state board of accounts. This calculation excludes:

(1) capital outlay;

(2) debt service;

(3) costs of transportation;

(4) salaries of board members;

(5) contracted service for legal expenses; and

(6) any expenditure that is made out of the general fund from extracurricular account receipts;

for the school year.

(d) The capital cost of special equipment for a school year is equal to:

(1) the cost of the special equipment; divided by

(2) the product of:

(A) the useful life of the special equipment, as determined under the rules adopted by the state board; multiplied by

(B) the number of students using the special equipment during at least part of the school year.

(e) When an item of expense or cost described in subsection (c) cannot be allocated to a class of school, it shall be prorated to all classes of schools on the basis of the student enrollment of each class in the transferee corporation compared with the total student enrollment in the school corporation.

(f) Operating costs shall be allocated to a transfer student for each school year by dividing:

(1) the transferee school corporation's operating costs for the class of school in which the transfer student is enrolled; by

(2) the student enrollment of the class of school in which the transfer student is enrolled.

When a transferred student is enrolled in a transferee corporation for less than the full school year of student attendance, the transfer tuition shall be calculated by the part of the school year for which the transferred student is enrolled. A school year of student attendance consists of the number of days school is in session for student attendance. A student, regardless of the student's attendance, is enrolled in a transferee school unless the student is no longer entitled to be transferred because of a change of residence, the student has been excluded or expelled from school for the balance of the school year or for an indefinite period, or the student has been confirmed to have withdrawn from school. The transferor and the transferee corporation may enter into written agreements concerning the amount of transfer tuition due in any school year. If an agreement cannot be reached, the amount shall be determined by the state board, and costs may be established, when in dispute, by the state board of accounts.

(g) A transferee school shall allocate revenues described in subsection (b) STEP TWO to a transfer student by dividing:

(1) the total amount of revenues received; by

(2) the ADM of the transferee school for the school year that ends in the calendar year in which the revenues are received.

However, for state distributions under IC 21-1-30, IC 21-3-2.1, IC 21-3-12, or any other statute that computes the amount of a state distribution using less than the total ADM of the transferee school, the transferee school shall allocate the revenues to the transfer student by dividing the revenues that the transferee school is eligible to receive in a calendar year by the student count used to compute the state distribution.

(h) Instead of the payments provided in subsection (b), the transferor corporation or state owing transfer tuition may enter into a long term contract with the transferee corporation governing the transfer of students. The contract may:

(1) be entered into for a period of not more than five (5) years with an option to renew;

(2) specify a maximum number of students to be transferred; and

(3) fix a method for determining the amount of transfer tuition and the time of payment, which may be different from that provided in section 14 of this chapter.

(i) If the school corporation can meet the requirements of ~~IC 21-1-30-5,~~ **IC 21-1-30-5.5,** it may negotiate transfer tuition agreements with a neighboring school corporation that can accommodate additional students. Agreements under this section may:

(1) be for one (1) year or longer; and

(2) fix a method for determining the amount of transfer tuition or time of payment that is different from the method, amount, or time of payment that is provided in this section or section 14 of this chapter.

A school corporation may not transfer a student under this section without the prior approval of the child's parent.

(j) If a school corporation experiences a net financial impact with regard to transfer tuition that is negative for a particular school year as described in IC 6-1.1-19-5.1, the school corporation may appeal for an excessive levy as provided under IC 6-1.1-19-5.1.

SECTION 178. IC 20-29-2-17, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 17. "Submission date" **for a calendar year** means ~~the first date for the legal notice and publication~~

~~of the budget of a school corporation under IC 6-1.1-17-3.~~ **August 10 of that year.**

SECTION 179. IC 20-33-2-29, AS ADDED BY P.L.1-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 29. (a) It is unlawful for a person operating or responsible for:

(1) an educational;

(2) a correctional;

(3) a charitable; or

(4) a benevolent institution or training school;

to fail to ensure that a child under the person's authority attends school as required under this chapter. Each day of violation of this section constitutes a separate offense.

(b) If a child is placed in an institution or facility under a court order, the institution or facility shall charge the ~~county office of family and children of the county of the child's legal settlement under IC 12-19-7~~ **department of child services** for the use of the space within the institution or facility (commonly called capital costs) that is used to provide educational services to the child based upon a prorated per child cost.

SECTION 180. IC 21-2-14-6, AS AMENDED BY P.L.1-2005, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. (a) The loan provided in section 4 of this chapter shall be initiated by a resolution of the governing body of the school corporation in an amount which, together with the outstanding obligations of the school corporation, shall not exceed its maximum permissible debt under the Indiana constitution. Such resolution shall not be effective until it is approved by the state board upon petition of the governing body of the school corporation.

(b) The provisions of all general laws relating to:

(1) the filing of petitions requesting issuance of bonds or other evidences of indebtedness (herein referred to as "the loan"); ~~and~~

(2) the giving of notice of determination to issue bonds;

(3) the approval of the appropriation by the department of local government finance; and

(4) the right of taxpayers to:

(A) remonstrate on the issuance or sale of the loan; **or**

(B) vote on the proposed issuance in an election on a local

public question;

as provided under IC 6-1.1-20 shall not be applicable or shall not be a prerequisite to the validity of such loan, unless the obligation is a lease or lease purchase agreement described in IC 6-1.1-20.

(c) After the petition has been approved by the state board, the loan may be effected either by a loan from a financial institution evidenced by notes or by the issuance of bonds. The loan or the issuance of bonds shall be made only by public bidding after notice, in accordance with IC 5-1-11. The loan or bonds shall be sold at par and bear interest as determined by the bidding. Any bonds issued shall, except as otherwise provided in this section, be governed by IC 21-2-21. Any such bonds or loan may be secured by a pledge of the supplemental school operating reserve fund and the tax levy for such fund, or any unobligated part thereof; and shall be further secured as debt service obligations as provided in IC 21-2-21-10(c).

SECTION 181. IC 21-2-21-1.8, AS ADDED BY P.L.214-2005, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1.8. (a) For purposes of this section, "retirement or severance liability" means the payments anticipated to be required to be made to employees of a school corporation upon or after termination of the employment of the employees by the school corporation under an existing or previous employment agreement.

(b) This section applies to each school corporation that:

(1) did not issue bonds under IC 20-5-4-1.7 before its repeal; or

(2) issued bonds under IC 20-5-4-1.7 before April 14, 2003.

(c) In addition to the purposes set forth in section 1 of this chapter, a school corporation described in subsection (b) may issue bonds to implement solutions to contractual retirement or severance liability. The issuance of bonds for this purpose is subject to the following conditions:

(1) The school corporation may issue bonds under this section only one (1) time.

(2) The school corporation must issue the bonds before July 1, 2006.

(3) The solution to which the bonds are contributing must be reasonably expected to reduce the school corporation's unfunded contractual liability for retirement or severance payments as it existed on June 30, 2001.

(4) The amount of the bonds that may be issued for the purpose described in this section may not exceed:

(A) two percent (2%) of the true tax value of property in the school corporation, for a school corporation that did not issue bonds under IC 20-5-4-1.7 before its repeal; or

(B) the remainder of:

(i) two percent (2%) of the true tax value of property in the school corporation as of the date that the school corporation issued bonds under IC 20-5-4-1.7; minus

(ii) the amount of bonds that the school corporation issued under IC 20-5-4-1.7;

for a school corporation that issued bonds under IC 20-5-4-1.7 before April 14, 2003.

(5) Each year that a debt service levy is needed under this section, the school corporation shall reduce the total property tax levy for the school corporation's transportation, school bus replacement, capital projects, or art association and historical society funds in an amount equal to the property tax levy needed for the debt service under this section. The property tax rate for each of these funds shall be reduced each year until the bonds are retired.

(6) The school corporation shall establish a separate debt service fund for repayment of the bonds issued under this section.

(d) Bonds issued for the purpose described in this section shall be issued in the same manner as other bonds of the school corporation.

(e) Bonds issued under this section are not subject:

(1) to the petition and remonstrance process under IC 6-1.1-20;

(2) to approval in an election on a local public question under IC 6-1.1-20; or

(3) to the limitations contained in IC 36-1-15.

SECTION 182. IC 21-2-21-7, AS ADDED BY P.L.1-2005, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 7. The provisions of all general statutes and rules relating to:

(1) filing petitions requesting the issuance of bonds and giving notice of the issuance of bonds;

(2) giving notice of determination to issue bonds;

(3) giving notice of a hearing on the appropriation of the proceeds of the bonds and the right of taxpayers to appear and be heard on

the proposed appropriation;

(4) the approval of the appropriation by the department of local government finance; and

(5) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; **or**

(B) vote on the proposed issuance in an election on a local public question;

apply to proceedings for the issuance of bonds and the making of an emergency loan under this chapter and IC 20-26-1 through IC 20-26-5. An action to contest the validity of the bonds or emergency loans may not be brought later than five (5) days after the acceptance of a bid for the sale of the bonds.

SECTION 183. IC 21-5-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. (a) A lessor corporation qualified or formed to acquire a site, erect a school building thereon, and lease it to a school corporation under either IC 21-5-11 or IC 21-5-12 may also be qualified or formed to, and may, acquire, improve, or expand existing school buildings, may finance the existing or improved school buildings, and may lease them to a school corporation under the applicable law.

(b) A lessor corporation may also acquire and finance an existing school building, other than as provided in subsection (a), and lease it to a school corporation. A school corporation shall comply in all respects with:

(1) all statutory requirements of IC 21-5-11 or IC 21-5-12; ~~and~~

(2) either:

(A) the petition and remonstrance **(in the case of a lease costing the school corporation less than ten million dollars ($10,000,000)); or**

(B) an election on the local public question (in the case of a preliminary determination made after June 30, 2006, to enter into a lease costing the school corporation at least ten million dollars ($10,000,000)); and

(3) all provisions under IC 6-1.1-20.

A lease made under this subsection may provide for the payment of lease rentals by the school corporation for the use of the existing school building. Lease rental payments made under the lease do not constitute a debt of the school corporation for purposes of the Constitution of the

State of Indiana. A new school building may be substituted for the existing school building under the lease if the substitution was included in the notices given under IC 21-5-11, IC 21-5-12, and IC 6-1.1-20. A new school building shall be substituted for the existing school building upon completion. A school corporation may not pay a legal or other professional fee as the result of an exchange or a substitution under this section.

(c) "Existing school building" includes any school building (as defined under IC 21-5-11 or IC 21-5-12) and any building that after acquisition will be used as a school building (as defined in IC 21-5-11 or IC 21-5-12) and may include more than one (1) building but shall not include a portable or relocatable building or classroom.

(d) "Improved school building" means an existing school building as improved, renovated, remodeled, or expanded by a lessor corporation.

SECTION 184. IC 31-9-2-9.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 9.5. "Appropriate dispositional plan", for purposes of IC 31-30 through IC 31-40, means the plan of care, treatment, rehabilitation, or placement recommended by a caseworker in the:**

(1) predispositional report required under IC 31-34-18-1 or IC 31-37-17-1; or

(2) modification report required under IC 31-34-22-1 or IC 31-37-21-1.

SECTION 185. IC 31-9-2-9.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 9.7. "Appropriate services", for purposes of IC 31-40, means services provided under an appropriate dispositional plan.**

SECTION 186. IC 31-9-2-17.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 17.4. "Child services" has the meaning set forth in IC 12-19-7-1.**

SECTION 187. IC 31-9-2-17.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 17.7. "Children's psychiatric residential treatment services" has the meaning set**

forth in IC 12-19-7.5-1.

SECTION 188. IC 31-9-2-120.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 120.4. "State fund" refers to the state child welfare fund established by IC 31-33-1.5-13.**

SECTION 189. IC 31-31-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. (a) The juvenile court may establish juvenile detention and shelter care facilities for children, except as provided by IC 31-31-9.

(b) The court may contract with other agencies to provide juvenile detention and shelter care facilities.

(c) If the juvenile court operates the juvenile detention and shelter care facilities, the judge shall appoint staff and determine the budgets.

(d) The county shall pay all expenses. The expenses for the juvenile detention facility shall be paid from the county general fund. ~~Payment of the expenses for the juvenile detention facility may not be paid from the county family and children's fund established by IC 12-19-7-3.~~

SECTION 190. IC 31-31-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 4. (a) This section applies to a county having a population of more than one hundred ten thousand (110,000) but less than one hundred fifteen thousand (115,000).

(b) Notwithstanding section 3 of this chapter, the juvenile court shall operate a juvenile detention facility or juvenile shelter care facility established in the county. However, the county legislative body shall determine the budget for the juvenile detention facility or juvenile shelter care facility. The expenses for the juvenile detention facility shall be paid from the county general fund. ~~Payment of the expenses for the juvenile detention facility may not be paid from the county family and children's fund established by IC 12-19-7-3.~~

SECTION 191. IC 31-33-1.5-7, AS ADDED BY P.L.234-2005, SECTION 95, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 7. The department is responsible for the following:

(1) Providing child protection services under this article.

(2) Providing and administering child abuse and neglect prevention services.

(3) Providing and administering:

(A) child services; ~~(as defined in IC 12-19-7-1);~~ **and**

(B) children's psychiatric residential treatment services.

(4) Providing and administering family services (as defined in IC 31-9-2-45).

(5) Providing family preservation services under IC 12-14-25.5.

(6) Regulating and licensing the following under IC 12-17.4:

(A) Child caring institutions.

(B) Foster family homes.

(C) Group homes.

(D) Child placing agencies.

(7) Administering the state's plan for the administration of Title IV-D of the federal Social Security Act (42 U.S.C. 651 et seq.).

(8) Administering foster care services.

(9) Administering independent living services (as described in 42 U.S.C. 677 et seq.).

(10) Administering adoption services.

SECTION 192. IC 31-33-1.5-10, AS ADDED BY P.L.234-2005, SECTION 95, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 10. (a) The department ~~may~~ **shall** establish a program to procure any of the services described in section 7 of this chapter under a procurement agreement administered by the department. The department may enter into procurement agreements that cover the delivery of one (1) or more categories of services to all the counties in a region determined by the department. An agreement may provide for payment from state funds appropriated for the purpose. ~~or direct billing of services to the county receiving the service.~~

(b) ~~If the department enters into a procurement agreement covering a county, the~~ **A** county, including the county's juvenile court, shall procure all services covered by the procurement agreement in accordance with the ~~regional~~ procurement agreement and the policies prescribed by the department. With the approval of the department, a county may use services from an alternate provider.

~~(c) The costs incurred under a procurement agreement shall be shared by the counties covered by the procurement agreement. The department shall allocate the costs of a regional procurement agreement among the counties covered by the agreement in proportion to the use of the services by each county under the schedule prescribed by the~~

~~department. A county shall pay the costs incurred under a procurement agreement from the:~~

~~(1) family and children's fund; or~~

~~(2) children's psychiatric residential treatment services fund;~~

~~as appropriate.~~

~~(d) If the department pays the costs incurred under a procurement contract from state funds appropriated for the purpose, the department shall present a claim for reimbursement to the appropriate county auditor. The county executive shall review and allow the full amount of the claim in the manner provided in IC 36-2-6.~~

SECTION 193. IC 31-33-1.5-13 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 13. (a) The state child welfare fund is established. The department shall administer the fund.**

(b) The state fund consists of the following:

(1) The money transferred to the state fund from each of the county's child welfare funds under IC 12-19-7-35, including amounts paid under IC 31-40-1-2 to the state by a county to reimburse the state for the costs of services ordered by a juvenile court.

(2) Any fees or costs paid to the state by a child's parent or guardian under a support order or reimbursement order under IC 31-40-1.

(3) Any contributions to the state fund from individuals, corporations, foundations, or others for the purpose of providing child services.

(4) Any appropriations made to the state fund by the general assembly. However, this section does not obligate the general assembly to appropriate money to the state fund.

(5) Any TANF program (as defined in IC 12-7-2-189.8), Medicaid program (as defined in IC 12-7-2-128), or other grants that are received from the federal government and deposited in the state fund.

(6) Any other money required by law to be deposited in the fund.

(c) The department of child services shall pay the following from the state fund:

(1) Expenses and obligations incurred by the department of child services in the payment of child services for children adjudicated to be:

(A) children in need of services; or

(B) delinquent children;

and other related services, but not including the payment of TANF.

(2) Expenses and obligations incurred by the department in the payment of children's psychiatric residential treatment services for children who are residents of Indiana.

(3) Medical care, including psychiatric care and institutional psychiatric care, for wards of the department of child services (described in IC 12-15-2-16).

(4) Services to children with special health care needs.

(5) Any other expenditures for services described in section 7 of this chapter or a procurement contract described in section 10 of this chapter.

(6) Any expense of the type that was payable before January 1, 2007 from:

(A) A county family and children's fund.

(B) A county children's psychiatric residential treatment services fund.

(C) The children with special health care needs state fund.

(D) The state medical assistance to wards fund.

(7) Any other expense or obligation that is required to be paid from the state fund by law.

(d) The department may use money in the fund to settle the relative obligations of a county and the department of child services for services provided before January 1, 2007.

(e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.

(f) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

SECTION 194. IC 31-33-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. (a) Not later than sixty (60) days after receiving the plan, the director shall certify whether the local plan fulfills the purposes and meets the requirements

of this article.

(b) If the director certifies that the local plan does not fulfill the purposes and meet the requirements of this article, the director

~~(1)~~ shall state the reasons for the decision. ~~and~~

~~(2) may withhold state reimbursement for any part of the county office of family and children's activities relating to this article.~~

SECTION 195. IC 31-34-18-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) Upon finding that a child is a child in need of services, the juvenile court shall order ~~a probation officer or~~ a caseworker to prepare a predispositional report that contains a:

(1) statement of the needs of the child for care, treatment, rehabilitation, or placement; and

(2) recommendation for the care, treatment, rehabilitation, or placement of the child.

(b) Any of the following may prepare an alternative report for consideration by the court:

(1) The child.

(2) The child's:

(A) parent;

(B) guardian;

(C) guardian ad litem;

(D) court appointed special advocate; or

(E) custodian.

SECTION 196. IC 31-34-18-1.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1.1. (a) The ~~person~~ **caseworker** preparing the report under section 1 of this chapter:

(1) may; or

(2) if directed by the court, shall;

confer with individuals who have expertise in professional areas related to the child's needs in the areas of appropriate care, treatment, rehabilitation, or placement for a child in need of services.

(b) A conference held under this section may include representatives of the following:

(1) The child's school.

(2) The probation department.

(3) The county office of family and children.

(4) A community mental health center located in the child's

county of residence.

(5) A community mental retardation and other developmental disabilities center located in the child's county of residence.

(6) Other persons as the court may direct.

SECTION 197. IC 31-34-18-1.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1.3. (a) The individuals participating in a meeting described in section 1.1 of this chapter shall assist the ~~person~~ **caseworker** preparing the report in recommending the care, treatment, rehabilitation, or placement of the child.

(b) The individuals shall inform the ~~person~~ **caseworker** preparing the report of resources and programs that are available for the child.

SECTION 198. IC 31-34-18-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. (a) In addition to providing the court with a recommendation for the care, treatment, or rehabilitation of the child, the ~~person~~ **caseworker** preparing the report shall consider the necessity, nature, and extent of the participation by a parent, guardian, or custodian in a program of care, treatment, or rehabilitation for the child.

(b) If a ~~probation officer or~~ caseworker believes that an out-of-home placement would be appropriate for a child in need of services, the ~~probation officer or~~ caseworker shall consider whether the child should be placed with the child's suitable and willing blood or adoptive relative caretaker, including a grandparent, an aunt, an uncle, or an adult sibling, before considering other out-of-home placements for the child.

SECTION 199. IC 31-34-18-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. The ~~probation officer or~~ caseworker shall also prepare a financial report on the parent or the estate of the child to assist the juvenile court in determining the person's financial responsibility for services provided for the child or the person.

SECTION 200. IC 31-34-18-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. If consistent with the safety and best interest of the child and the community, the ~~person~~ **caseworker** preparing the report shall recommend care, treatment, rehabilitation, or placement that:

(1) is:

(A) in the least restrictive (most family like) and most appropriate setting available; and

(B) close to the parents' home, consistent with the best interest and special needs of the child;

(2) least interferes with family autonomy;

(3) is least disruptive of family life;

(4) imposes the least restraint on the freedom of the child and the child's parent, guardian, or custodian; and

(5) provides a reasonable opportunity for participation by the child's parent, guardian, or custodian.

SECTION 201. IC 31-34-18-6.1, AS AMENDED BY P.L.234-2005, SECTION 181, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6.1. (a) The predispositional report prepared by a ~~probation officer or~~ caseworker shall include the following information:

(1) A description of all dispositional options considered in preparing the report.

(2) An evaluation of each of the options considered in relation to the plan of care, treatment, rehabilitation, or placement recommended under the guidelines described in section 4 of this chapter.

(3) The name, occupation and position, and any relationship to the child of each person with whom the ~~preparer of~~ **caseworker who prepared** the report conferred as provided in section 1.1 of this chapter.

(b) If a ~~probation officer or a~~ caseworker is considering an out-of-home placement, including placement with a blood or an adoptive relative caretaker, ~~the~~ **a** probation officer or **the** caseworker shall conduct a criminal history check (as defined in IC 31-9-2-22.5) for each person who:

(1) is currently residing in the location designated as the out-of-home placement; or

(2) in the reasonable belief of the probation officer or caseworker, is expected to be residing in the location designated as the out-of-home placement during the time the child would be placed in the location.

The results of the criminal history check must be included in the predispositional report.

(c) A probation officer or caseworker is not required to conduct a criminal history check under this section if:

(1) the ~~probation officer or~~ caseworker is considering only an out-of-home placement to an entity or facility that:

(A) is not a residence (as defined in IC 3-5-2-42.5); or

(B) is licensed by the state; or

(2) placement under this section is undetermined at the time the predispositional report is prepared.

SECTION 202. IC 31-34-19-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 10. **(a)** The juvenile court shall accompany the court's dispositional decree with written findings and conclusions upon the record concerning the following:

(1) The needs of the child for care, treatment, rehabilitation, or placement.

(2) The need for participation by the parent, guardian, or custodian in the plan of care for the child.

(3) Efforts made, if the child is a child in need of services, to:

(A) prevent the child's removal from; or

(B) reunite the child with;

the child's parent, guardian, or custodian in accordance with federal law.

(4) Family services that were offered and provided to:

(A) a child in need of services; or

(B) the child's parent, guardian, or custodian;

in accordance with federal law.

(5) The court's reasons for the disposition.

(b) If the juvenile court issues a dispositional decree that departs from the appropriate dispositional plan (as defined in IC 31-9-2-9.5), the juvenile court shall include as a part of the dispositional decree written findings describing:

(1) the juvenile court's reasons for departing from the appropriate dispositional plan; and

(2) the additional expense, if any, that the court's dispositional decree will incur as compared to the cost of the appropriate dispositional plan.

SECTION 203. IC 31-34-20-1.5, AS AMENDED BY P.L.234-2005, SECTION 183, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1.5. (a) Except as provided in subsection (d) the juvenile court may not enter a

dispositional decree placing a child in another home under section 1(3) of this chapter or awarding wardship to a county office of family and children that will place the child with a person under section 1(4) of this chapter if a person who is:

(1) currently residing in the home in which the child would be placed under section 1(3) or 1(4) of this chapter; or

(2) reasonably expected to be residing in the home in which the child would be placed under section 1(3) or 1(4) of this chapter during the time the child would be placed in the home;

has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.

(b) The juvenile court shall order ~~the~~ **a** probation officer or **the** caseworker who prepared the predispositional report to conduct a criminal history check (as defined in IC 31-9-2-22.5) to determine if a person described in subsection (a)(1) or (a)(2) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11. However, the juvenile court is not required to order a criminal history check under this section if criminal history information under IC 31-34-4-2 or IC 31-34-18-6.1 establishes whether a person described in subsection (a)(1) or (a)(2) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.

(c) ~~A~~ **The** probation officer or caseworker is not required to conduct a criminal history check under this section if:

(1) the ~~probation officer or~~ caseworker is considering only an out-of-home placement to an entity or a facility that:

(A) is not a residence (as defined in IC 3-5-2-42.5); or

(B) is licensed by the state; or

(2) placement under this section is undetermined at the time the predispositional report is prepared.

(d) A court may enter a dispositional decree placing a child in another home or award wardship to a county office of family and

children if:

(1) a person described in subsection (a)(1) or (a)(2) has:

(A) committed an act resulting in a substantiated report of child abuse or neglect; or

(B) been convicted or had a juvenile adjudication for:

(i) reckless homicide (IC 35-42-1-5);

(ii) battery (IC 35-42-2-1) as a Class C or D felony;

(iii) criminal confinement (IC 35-42-3-3) as a Class C or D felony;

(iv) arson (IC 35-43-1-1) as a Class C or D felony;

(v) a felony involving a weapon under IC 35-47 or IC 35-47.5 as a Class C or D felony;

(vi) a felony relating to controlled substances under IC 35-48-4 as a Class C or D felony; or

(vii) a felony that is substantially equivalent to a felony listed in items (i) through (vi) for which the conviction was entered in another state; and

(2) the court makes a written finding that the person's commission of the offense, delinquent act, or act of abuse or neglect described in subdivision (1) is not relevant to the person's present ability to care for a child, and that the dispositional decree placing a child in another home or awarding wardship to a county office of family and children is in the best interest of the child.

However, a court may not enter a dispositional decree placing a child in another home or award wardship to a county office of family and children if the person has been convicted of a felony listed in IC 12-17.4-4-11 that is not specifically excluded under subdivision (1)(B), or has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult that is not specifically excluded under subdivision (1)(B).

(d) In making its written finding under subsection (d), the court shall consider the following:

(1) The length of time since the person committed the offense, delinquent act, or act that resulted in the substantiated report of abuse or neglect.

(2) The severity of the offense, delinquent act, or abuse or neglect.

(3) Evidence of the person's rehabilitation, including the person's cooperation with a treatment plan, if applicable.

SECTION 204. IC 31-34-21-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) At any time after the date of an original dispositional decree, the juvenile court may order

~~(1)~~ the county office of family and children ~~or~~

~~(2) the probation department;~~

to file a report on the progress made in implementing the decree.

(b) If, after reviewing the report, the juvenile court seeks to consider modification of the dispositional decree, the juvenile court shall proceed under IC 31-34-23.

SECTION 205. IC 31-34-21-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. Before a case review under section 2 of this chapter, ~~the probation department or~~ the county office of family and children shall prepare a report in accordance with IC 31-34-22 on the progress made in implementing the dispositional decree.

SECTION 206. IC 31-34-21-7.5, AS AMENDED BY P.L.234-2005, SECTION 184, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 7.5. (a) Except as provided in subsection (d), the juvenile court may not approve a permanency plan under subsection (c)(1)(D), (c)(1)(E), or (c)(1)(F) if a person who is currently residing with a person described in subsection (c)(1)(D) or (c)(1)(E) or in a residence in which the child would be placed under subsection (c)(1)(F) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.

(b) The juvenile court shall order ~~the~~ **a** probation officer or **the** caseworker who prepared the predispositional report to conduct a criminal history check (as defined in IC 31-9-2-22.5) to determine if a person described in subsection (a) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11. However, the juvenile court is not required to order a criminal history check under this section if criminal history information under IC 31-34-4-2, IC 31-34-18-6.1, or IC 31-34-20-1.5 establishes whether a person described in subsection (a) has committed

an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.

(c) A permanency plan under this chapter includes the following:

(1) The intended permanent or long term arrangements for care and custody of the child that may include any of the following arrangements that the court considers most appropriate and consistent with the best interests of the child:

(A) Return to or continuation of existing custodial care within the home of the child's parent, guardian, or custodian or placement of the child with the child's noncustodial parent.

(B) Initiation of a proceeding by the agency or appropriate person for termination of the parent-child relationship under IC 31-35.

(C) Placement of the child for adoption.

(D) Placement of the child with a responsible person, including:

(i) an adult sibling;

(ii) a grandparent;

(iii) an aunt;

(iv) an uncle; or

(v) another relative;

who is able and willing to act as the child's permanent custodian and carry out the responsibilities required by the permanency plan.

(E) Appointment of a legal guardian. The legal guardian appointed under this section is a caretaker in a judicially created relationship between the child and caretaker that is intended to be permanent and self-sustaining as evidenced by the transfer to the caretaker of the following parental rights with respect to the child:

(i) Care, custody, and control of the child.

(ii) Decision making concerning the child's upbringing.

(F) Placement of the child in another planned, permanent living arrangement.

(2) A time schedule for implementing the applicable provisions of the permanency plan.

(3) Provisions for temporary or interim arrangements for care and custody of the child, pending completion of implementation of the permanency plan.

(4) Other items required to be included in a case plan under IC 31-34-15 or federal law, consistent with the permanent or long term arrangements described by the permanency plan.

(d) A juvenile court may approve a permanency plan if:

(1) a person described in subsection (a) has:

(A) committed an act resulting in a substantiated report of child abuse or neglect; or

(B) been convicted or had a juvenile adjudication for:

(i) reckless homicide (IC 35-42-1-5);

(ii) battery (IC 35-42-2-1) as a Class C or D felony;

(iii) criminal confinement (IC 35-42-3-3) as a Class C or D felony;

(iv) arson (IC 35-43-1-1) as a Class C or D felony;

(v) a felony involving a weapon under IC 35-47 or IC 35-47.5 as a Class C or D felony;

(vi) a felony relating to controlled substances under IC 35-48-4 as a Class C or D felony; or

(vii) a felony that is substantially equivalent to a felony listed in items (i) through (vi) for which the conviction was entered in another state; and

(2) the court makes a written finding that the person's commission of the offense, delinquent act, or act of abuse or neglect described in subdivision (1) is not relevant to the person's present ability to care for a child, and that approval of the permanency plan is in the best interest of the child.

However, a court may not approve a permanency plan if the person has been convicted of a felony listed in IC 12-17.4-4-11 that is not specifically excluded under subdivision (1)(B), or has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult that is not specifically excluded under subdivision (1)(B).

(e) In making its written finding under subsection (d), the court shall consider the following:

(1) The length of time since the person committed the offense, delinquent act, or act that resulted in the substantiated report of

abuse or neglect.

(2) The severity of the offense, delinquent act, or abuse or neglect.

(3) Evidence of the person's rehabilitation, including the person's cooperation with a treatment plan, if applicable.

SECTION 207. IC 31-34-21-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. Before a hearing under section 7 of this chapter, ~~the probation department or~~ the county office of family and children shall prepare a report in accordance with IC 31-34-22 on the progress made in implementing the dispositional decree.

SECTION 208. IC 31-34-22-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) Before a case review under IC 31-34-21-2 or hearing under IC 31-34-21-7, ~~the probation department or~~ the county office of family and children shall prepare a report on the progress made in implementing the dispositional decree, including the progress made in rehabilitating the child, preventing placement out-of-home, or reuniting the family.

(b) Before preparing the report required by subsection (a), ~~the probation department or~~ the county office of family and children shall consult a foster parent of the child about the child's progress made while in the foster parent's care.

(c) If modification of the dispositional decree is recommended, ~~the probation department or~~ the county office of family and children shall prepare a modification report containing the information required by IC 31-34-18 and request a formal court hearing.

SECTION 209. IC 31-34-22-2, AS AMENDED BY P.L.129-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. (a) Except as provided in subsection (b), a report prepared by ~~the state.~~ **a caseworker:**

(1) for the juvenile court's review of the court's dispositional decree; or

(2) prepared for use at a periodic case review under IC 31-34-21-2 or hearing under IC 31-34-21-7;

shall be made available to the child and the child's parent, guardian, guardian ad litem, court appointed special advocate, or custodian within a reasonable time after the report's presentation to the court or before the hearing.

(b) If the court determines on the record that the report contains

information that should not be released to the child or the child's parent, guardian, or custodian, the court shall provide a copy of the report to the following:

(1) Each attorney or guardian ad litem representing the child.

(2) Each attorney representing the child's parent, guardian, or custodian.

(3) Each court appointed special advocate.

(c) The court may also provide a factual summary of the report to the child or the child's parent, guardian, or custodian.

(d) In addition to the requirements of subsection (a), any report prepared by ~~the state~~ **a caseworker** for the juvenile court's review shall also be made available to any court appointed special advocate within the same time period and in the same manner as required in the case of a parent under subsection (a). However, if under subsection (a) the court determines on the record that the report contains information that should not be released to the parent, the court shall still provide a copy of the report to any court appointed special advocate.

SECTION 210. IC 31-34-23-1, AS AMENDED BY P.L.129-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1. **(a)** While the juvenile court retains jurisdiction under IC 31-30-2, the juvenile court may modify any dispositional decree:

(1) upon the juvenile court's own motion;

(2) upon the motion of:

(A) the child;

(B) the child's:

(i) parent;

(ii) guardian;

(iii) custodian;

(iv) court appointed special advocate; or

(v) guardian ad litem;

(C) the probation officer;

(D) the caseworker;

(E) the prosecuting attorney; or

(F) the attorney for the county office of family and children; or

(3) upon the motion of any person providing services to the child or to the child's parent, guardian, or custodian under a decree of the court.

(b) If the juvenile court modifies a dispositional decree under this section in a manner that departs from the recommendations contained in a modification report prepared in accordance with IC 31-34-22-1 (including modifying a dispositional decree when no modification is recommended), the juvenile court shall include as a part of the modification order written findings describing:

(1) the juvenile court's reasons for departing from the modification report; and

(2) the additional expense, if any, that the court's dispositional decree will incur as compared to the cost of treatment described in the modification report.

SECTION 211. IC 31-34-23-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) If the petitioner requests an emergency change in the child's residence, the court may issue a temporary order. However, the court shall then give notice to the persons affected and shall hold a hearing on the question if requested.

(b) If **the temporary order is inconsistent with the appropriate dispositional plan or if** the petition requests any other modification, the court shall give notice to the persons affected and may hold a hearing on the question.

SECTION 212. IC 31-34-24-8, AS AMENDED BY P.L.1-2005, SECTION 208, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 8. In preparing the plan, the team shall review and consider existing publicly and privately funded programs that are available or that could be made available in the county to provide supportive services to or for the benefit of children described in section 3 of this chapter without removing the child from the family home, including programs funded through the following:

(1) Title IV-B of the Social Security Act (42 U.S.C. 620 et seq.).

(2) Title IV-E of the Social Security Act (42 U.S.C. 670 et seq.).

(3) Title XX of the Social Security Act (42 U.S.C. 1397 et seq.).

(4) The Child Abuse Prevention and Treatment Act (42 U.S.C. 5106 et seq.).

(5) Community corrections programs under IC 11-12.

(6) Special education programs under IC 20-35-6-2.

(7) All programs designed to prevent child abuse, neglect, or delinquency, or to enhance child welfare and family preservation

administered by, or through funding provided by, the division of family and children, county offices, prosecutors, or juvenile courts, including programs funded under ~~IC 12-19-7 and~~ IC 31-40.

(8) Probation user's fees under IC 31-40-2-1.

(9) Child advocacy fund under IC 12-17-17.

SECTION 213. IC 31-34-24-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 13. (a) Upon receiving the initial plan and each revised or updated plan, the ~~county fiscal body~~ **department of child services** shall consider the plan. ~~in developing the family and children's fund budget.~~

(b) The ~~county fiscal body~~ **department of child services** may ~~appropriate from the family and children's fund any amounts necessary~~ **use money from the sources described in IC 31-33-1.5-13** to provide funding to implement the plan.

SECTION 214. IC 31-37-17-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) Upon finding that a child is a delinquent child, the juvenile court shall order a probation officer or a caseworker to prepare a predispositional report that contains a:

(1) statement of the needs of the child for care, treatment, rehabilitation, or placement; and

(2) recommendation for the care, treatment, rehabilitation, or placement of the child.

(b) If the predispositional report recommends any placement or other service that the department of child services is obligated to pay, the recommendation must be approved by the department of child services.

~~(b)~~ **(c)** Any of the following may prepare an alternative report for consideration by the court:

(1) The child.

(2) The child's:

(A) parent;

(B) guardian;

(C) guardian ad litem;

(D) court appointed special advocate; or

(E) custodian.

SECTION 215. IC 31-37-17-1 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) Upon finding that a child is a delinquent child, the juvenile court shall order ~~a probation officer or~~ a caseworker to prepare a predispositional report that contains a:

(1) statement of the needs of the child for care, treatment, rehabilitation, or placement; and

(2) recommendation for the care, treatment, rehabilitation, or placement of the child.

(b) Any of the following may prepare an alternative report for consideration by the court:

(1) The child.

(2) The child's:

(A) parent;

(B) guardian;

(C) guardian ad litem;

(D) court appointed special advocate; or

(E) custodian.

SECTION 216. IC 31-37-17-1.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1.1. (a) The ~~person~~ **caseworker** preparing the report under section 1 of this chapter:

(1) may; or

(2) if directed by the court, shall;

confer with individuals who have expertise in professional areas related to the child's needs in the areas of appropriate care, treatment, rehabilitation, or placement for a delinquent child.

(b) A conference held under this chapter may include representatives of the following:

(1) The child's school.

(2) The probation department.

(3) The county office of family and children.

(4) A community mental health center located in the child's county of residence.

(5) A community mental retardation and other developmental disabilities center located in the child's county of residence.

(6) Other persons as the court may direct.

SECTION 217. IC 31-37-17-1.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1.3. (a) The individuals participating in a meeting described in section 1.1 of this chapter shall

assist the ~~person~~ **caseworker** preparing the report in recommending the care, treatment, rehabilitation, or placement of the child.

(b) The individuals shall inform the ~~person~~ **caseworker** preparing the report of resources and programs that are available for the child.

(c) The ~~probation officer or~~ caseworker shall collect, maintain, and complete financial eligibility forms designated by the director to assist in obtaining federal reimbursement and other reimbursement.

SECTION 218. IC 31-37-17-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. (a) In addition to providing the court with a recommendation for the care, treatment, or rehabilitation of the child, the ~~person~~ **caseworker** preparing the report shall consider the necessity, nature, and extent of the participation by a parent, guardian, or custodian in a program of care, treatment, or rehabilitation for the child.

(b) If a ~~probation officer or~~ caseworker believes that an out-of-home placement would be appropriate for a delinquent child, the ~~probation officer or~~ caseworker shall consider whether the child should be placed with the child's suitable and willing blood or adoptive relative caretaker, including a grandparent, an aunt, an uncle, or an adult sibling, before considering other out-of-home placements for the child.

SECTION 219. IC 31-37-17-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. The ~~probation officer or~~ caseworker shall collect information and prepare a financial report, in the form prescribed by the division, on the parent or the estate of the child to assist the juvenile court and the county office in:

(1) determining the person's financial responsibility; and

(2) obtaining federal reimbursement;

for services provided for the child or the person.

SECTION 220. IC 31-37-17-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. If consistent with the safety and best interest of the child and the community, the ~~person~~ **caseworker** preparing the report shall recommend care, treatment, rehabilitation, or placement that:

(1) is:

(A) in the least restrictive (most family like) and most appropriate setting available; and

(B) close to the parents' home, consistent with the best interest and special needs of the child;

(2) least interferes with family autonomy;

(3) is least disruptive of family life;

(4) imposes the least restraint on the freedom of the child and the child's parent, guardian, or custodian; and

(5) provides a reasonable opportunity for participation by the child's parent, guardian, or custodian.

SECTION 221. IC 31-37-17-6.1, AS AMENDED BY P.L.234-2005, SECTION 186, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6.1. (a) The predispositional report prepared by a ~~probation officer or~~ caseworker shall include the following information:

(1) A description of all dispositional options considered in preparing the report.

(2) An evaluation of each of the options considered in relation to the plan of care, treatment, rehabilitation, or placement recommended under the guidelines described in section 4 of this chapter.

(3) The name, occupation and position, and any relationship to the child of each person with whom the ~~preparer of~~ **caseworker who prepared** the report conferred as provided in section 1.1 of this chapter.

(b) If ~~a probation officer or~~ a caseworker is considering an out-of-home placement, including placement with a blood or an adoptive relative caretaker, ~~the~~ **a** probation officer or **the** caseworker must conduct a criminal history check (as defined in IC 31-9-2-22.5) for each person who:

(1) is currently residing in the location designated as the out-of-home placement; or

(2) in the reasonable belief of the probation officer or caseworker, is expected to be residing in the location designated as the out-of-home placement during the time the child would be placed in the location.

The results of the criminal history check must be included in the predispositional report.

(c) A probation officer or caseworker is not required to conduct a criminal history check under this section if:

(1) the ~~probation officer or~~ caseworker is considering only an out-of-home placement to an entity or a facility that:

(A) is not a residence (as defined in IC 3-5-2-42.5); or

(B) is licensed by the state; or

(2) placement under this section is undetermined at the time the predispositional report is prepared.

SECTION 222. IC 31-37-17-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 7. (a) This section shall not be construed to limit ~~victim's~~ **victims'** rights granted by IC 35-40 or any other law.

(b) In the case of a child who commits a delinquent act that would be a sex offense (as defined in IC 11-13-6-5.5(b)) if the child were an adult, the ~~person~~ **caseworker** preparing the predispositional report under section 1 of this chapter shall, before the predispositional report is prepared, notify each victim (as defined in IC 11-13-6-5.5) in the proceeding of the victim's rights under IC 11-13-6-5.5 and the procedures related to the exercises of those rights.

SECTION 223. IC 31-37-18-1.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1.1. At a dispositional hearing under this chapter, the ~~person~~ **caseworker** that prepared the predispositional report:

(1) must be present; and

(2) must present testimony when requested to explain how the individuals participating in the conference described in IC 31-37-17:

(A) examined the available options; and

(B) recommended the options that most closely coincide with the guidelines provided in IC 31-37-17-4.

SECTION 224. IC 31-37-18-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 9. **(a)** The juvenile court shall accompany the court's dispositional decree with written findings and conclusions upon the record concerning the following:

(1) The needs of the child for care, treatment, rehabilitation, or placement.

(2) The need for participation by the parent, guardian, or custodian in the plan of care for the child.

(3) The court's reasons for the disposition.

(b) If the juvenile court issues a dispositional decree that departs from the appropriate dispositional plan (as defined in

IC 31-9-2-9.5), the juvenile court shall include as a part of the dispositional decree written findings describing:

(1) the juvenile court's reasons for departing from the appropriate dispositional plan; and

(2) the additional expense, if any, that the court's dispositional decree will incur as compared to the cost of the appropriate dispositional plan.

SECTION 225. IC 31-37-19-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. Subject to section 6.5 of this chapter, if a child is a delinquent child under IC 31-37-2, the juvenile court may enter one (1) or more of the following dispositional decrees:

(1) Order supervision of the child by the probation department or the county office of family and children.

(2) Order the child to receive outpatient treatment:

(A) at a social service agency or a psychological, a psychiatric, a medical, or an educational facility; or

(B) from an individual practitioner.

(3) Remove the child from the child's home and place the child in another home or shelter care facility. Placement under this subdivision includes authorization to control and discipline the child.

(4) Award wardship to a person or shelter care facility. Wardship under this subdivision does not include the right to consent to the child's adoption.

(5) Partially or completely emancipate the child under section 27 of this chapter.

(6) Order:

(A) the child; or

(B) the child's parent, guardian, or custodian;

to receive family services **or other appropriate services set forth in an appropriate dispositional plan.**

(7) Order a person who is a party to refrain from direct or indirect contact with the child.

SECTION 226. IC 31-37-19-6.5, AS AMENDED BY P.L.234-2005, SECTION 187, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6.5. (a) Except as provided in subsection (c), the juvenile court may not enter a

dispositional decree placing a child in another home under section 1(3) or 6(b)(2)(D) of this chapter or awarding wardship to the county office of family and children that results in a placement with a person under section 1(4) or 6(b)(2)(E) of this chapter if a person who is:

(1) currently residing in the home in which the child would be placed under section 1(3), 1(4), 6(b)(2)(D), or 6(b)(2)(E) of this chapter; or

(2) reasonably expected to be residing in the home in which the child would be placed under section 1(3), 1(4), 6(b)(2)(D), or 6(b)(2)(E) of this chapter during the time the child would be placed in the home;

has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.

(b) The juvenile court shall order ~~the~~ **a** probation officer or **the** caseworker who prepared the predispositional report to conduct a criminal history check (as defined in IC 31-9-2-22.5) to determine if a person described in subsection (a)(1) or (a)(2) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11. However, the juvenile court is not required to order a criminal history check under this section if criminal history information under IC 31-37-17-6.1 establishes whether a person described in subsection (a)(1) or (a)(2) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult, or has a conviction for a felony listed in IC 12-17.4-4-11.

(c) The juvenile court may enter a dispositional decree placing a child in another home under section 1(3) or 6(b)(2)(D) of this chapter or awarding wardship to the county office of family and children that results in a placement with a person under section 1(4) or 6(b)(2)(E) of this chapter if:

(1) a person described in subsection (a)(1) or (a)(2) has:

(A) committed an act resulting in a substantiated report of child abuse or neglect; or

(B) been convicted or had a juvenile adjudication for:

(i) reckless homicide (IC 35-42-1-5);

(ii) battery (IC 35-42-2-1) as a Class C or D felony;

(iii) criminal confinement (IC 35-42-3-3) as a Class C or D felony;

(iv) arson (IC 35-43-1-1) as a Class C or D felony;

(v) a felony involving a weapon under IC 35-47 or IC 35-47.5 as a Class C or D felony;

(vi) a felony relating to controlled substances under IC 35-48-4 as a Class C or D felony; or

(vii) a felony that is substantially equivalent to a felony listed in items (i) through (vi) for which the conviction was entered in another state; and

(2) the court makes a written finding that the person's commission of the offense, delinquent act, or act of abuse or neglect described in subdivision (1) is not relevant to the person's present ability to care for a child, and that entry of a dispositional decree placing the child in another home is in the best interest of the child.

However, a court may not enter a dispositional decree placing a child in another home under section 1(3) or 6(b)(2)(D) of this chapter or awarding wardship to the county office of family and children if the person has been convicted of a felony listed in IC 12-17.4-4-11 that is not specifically excluded under subdivision (1)(B), or has a juvenile adjudication for an act that would be a felony listed in IC 12-17.4-4-11 if committed by an adult that is not specifically excluded under subdivision (1)(B).

(d) In making its written finding under subsection (c), the court shall consider the following:

(1) The length of time since the person committed the offense, delinquent act, or act that resulted in the substantiated report of abuse or neglect.

(2) The severity of the offense, delinquent act, or abuse or neglect.

(3) Evidence of the person's rehabilitation, including the person's cooperation with a treatment plan, if applicable.

SECTION 227. IC 31-37-19-28 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 28. If the juvenile court issues a dispositional decree or modification order under this**

chapter that departs from the appropriate dispositional plan, the juvenile court shall include as a part of the dispositional decree or modification order written findings describing:

(1) the juvenile court's reasons for departing from the appropriate dispositional plan; and

(2) the additional expense, if any, that the court's dispositional decree or modification order will incur as compared to the cost of the appropriate dispositional plan.

SECTION 228. IC 31-37-20-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. At any time after the date of an original dispositional decree, the juvenile court may order the county office of family and children ~~or the probation department~~ to file a report on the progress made in implementing the decree. If, after reviewing the report, the juvenile court seeks to consider modification of the dispositional decree, the court shall proceed under IC 31-37-22.

SECTION 229. IC 31-37-20-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. Before a hearing under section 2 or 3 of this chapter, ~~the probation department or~~ the county office of family and children shall prepare a report in accordance with IC 31-37-21 on the progress made in implementing the dispositional decree.

SECTION 230. IC 31-37-20-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 8. If the juvenile court issues a dispositional decree or modification order under this chapter that departs from the appropriate dispositional plan, the juvenile court shall include as a part of the dispositional decree or modification order written findings describing:**

(1) the juvenile court's reasons for departing from the appropriate dispositional plan; and

(2) the additional expense, if any, that the court's dispositional decree or modification order will incur as compared to the cost of the appropriate dispositional plan.

SECTION 231. IC 31-37-21-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) Before a hearing under IC 31-37-20-2 or IC 31-37-20-3, ~~the probation department or~~ the county office of family and children shall prepare a report on the progress made in implementing the dispositional decree, including the

progress made in rehabilitating the child, preventing placement out-of-home, or reuniting the family.

(b) Before preparing the report required by subsection (a), ~~the probation department or~~ the county office of family and children shall consult a foster parent of the child about the child's progress made while in the foster parent's care.

(c) If modification of the dispositional decree is recommended, ~~the probation department or~~ the county office of family and children shall prepare a modification report containing the information required by IC 31-37-17 and request a formal court hearing.

SECTION 232. IC 31-37-21-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. (a) Except as provided by subsection (b), a report prepared by ~~the state~~ **a caseworker:**

(1) for the juvenile court's review of the court's dispositional decree; or

(2) for use at a periodic case review or hearing under IC 31-37-20-2 or IC 31-37-20-3;

shall be made available to the child and the child's parent, guardian, guardian ad litem, custodian, or court appointed special advocate within a reasonable time after the report's presentation to the court or before the hearing.

(b) If the court determines on the record that the report contains information that should not be released to the child or the child's parent, guardian, or custodian, the court shall provide a copy of the report to the following:

(1) Each attorney or a guardian ad litem representing the child.

(2) Each attorney representing the child's parent, guardian, or custodian.

(3) A court appointed special advocate.

(c) The court may also provide a factual summary of the report to the child or the child's parent, guardian, or custodian.

(d) In addition to the requirements of subsection (a), any report prepared by ~~the state~~ **a caseworker** for the juvenile court's review shall also be made available to any court appointed special advocate within the same time period and in the same manner as required in the case of a parent under subsection (a). However, if under subsection (a) the court determines on the record that the report contains information that

should not be released to the parent, the court shall still provide a copy of the report to any court appointed special advocate.

SECTION 233. IC 31-37-22-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) If the petitioner requests an emergency change in the child's residence, the court may issue a temporary order. However, the court shall then give notice to the persons affected and shall hold a hearing on the question if requested.

(b) If **the temporary order is inconsistent with the appropriate dispositional plan or if** the petition requests any other modification, the court shall give notice to the persons affected and may hold a hearing on the question.

SECTION 234. IC 31-37-22-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. If a hearing is required, IC 31-37-17 governs the preparation and use of a modification report. The report shall be prepared ~~if the state or any person other than the child or the child's parent, guardian, guardian ad litem, or custodian is requesting the modification~~ **in every case in which modification is requested.**

SECTION 235. IC 31-37-22-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 7.5. If the juvenile court modifies a dispositional decree under this chapter in a manner that departs from the recommendations contained in a modification report prepared in accordance with IC 31-37-22-4 (including modifying a dispositional decree when no modification is recommended), the juvenile court shall include as a part of the modification order written findings describing:**

(1) the juvenile court's reasons for departing from the modification report; and

(2) the additional expense, if any, that the court's dispositional decree will incur as compared to the cost of treatment described in the modification report.

SECTION 236. IC 31-40-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1. This article applies to a financial burden sustained by a county **or the state,** as the result of costs paid by the county under section 2 of this chapter **(as effective December 31, 2006) and the county or state under section**

2 of this chapter (as effective after December 31, 2006), including costs resulting from the institutional placement of a child adjudicated a delinquent child or a child in need of services **and the amount of any charge back to a county under section 2 of this chapter.**

SECTION 237. IC 31-40-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 2. (a) **The department of child services shall pay for the cost of services ordered by the juvenile court for any child or the child's parent, guardian, or custodian, other than secure detention or probation services, if the services are the appropriate services set forth in an appropriate dispositional plan submitted to the juvenile court by a department of child services caseworker.**

(b) The department of child services shall:

(1) pay for other services ordered by the juvenile court that are not designated as appropriate services in a dispositional plan; and

(2) charge back to the county the costs of services described in subdivision (1).

(c) The county shall ~~pay~~ **reimburse the department of child services** from the county ~~family and children's~~ **child welfare** fund **for** the cost of:

(1) any services ordered by the juvenile court ~~for any child or the child's parent, guardian, or custodian, other than secure detention,~~ **that the department of child services has charged back to the county under subsection (b);** and

(2) returning a child under IC 31-37-23.

~~(b)~~ **(d)** The county fiscal body shall provide sufficient money to meet the ~~court's requirements.~~ **county's obligation to reimburse the department of child services for the services that are charged back to the county under subsection (b).**

SECTION 238. IC 31-40-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. (a) A parent or guardian of the estate of a child adjudicated a delinquent child or a child in need of services is financially responsible as provided in this chapter (or IC 31-6-4-18(e) before its repeal) for any services ordered by the court.

(b) Each parent of a child alleged to be a child in need of services or alleged to be a delinquent child shall, before a dispositional hearing,

furnish the court with an accurately completed and current child support obligation worksheet on the same form that is prescribed by the Indiana supreme court for child support orders.

(c) At:

(1) a detention hearing;

(2) a hearing that is held after the payment of costs by a county under section 2 of this chapter (or IC 31-6-4-18(b) before its repeal);

(3) the dispositional hearing; or

(4) any other hearing to consider modification of a dispositional decree;

the juvenile court shall order the child's parents or the guardian of the child's estate to pay for, or reimburse the county **or the department of child services, as appropriate,** for the cost of services provided to the child or the parent or guardian unless the court finds that the parent or guardian is unable to pay or that justice would not be served by ordering payment from the parent or guardian.

(d) Subject to subsection (e), when the court orders a child's parent or the guardian of the child's estate to make a payment or reimbursement under subsection (c), the court shall order the reimbursement to be paid to:

(1) the county if the county pays the cost of services or is required to reimburse the department of child services for the cost of services from the county child welfare fund; and

(2) when subdivision (1) does not apply, the department of child services.

(e) If the county executive adopts a resolution incorporating a written agreement with the department of child services to offset payments against any reimbursement otherwise due from the county to the department of child services, the court may order that payment that is required to be made to the county under subsection (d)(1) to be made to the department of child services.

SECTION 239. IC 31-40-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 4. **Subject to section 3(e) of this chapter,** the parent or guardian of the estate of any child returned to Indiana under the interstate compact on juveniles under IC 31-37-23 shall reimburse the county for all costs:

(1) payable or which under section 2 of this chapter must be

reimbursed by the county from the county child welfare fund; and

(2) involved in returning the child;

that the court orders the parent or guardian to pay under section 3 of this chapter (or IC 31-6-4-18(e) before its repeal) whether or not the child has been adjudicated a delinquent child or a child in need of services.

SECTION 240. IC 31-40-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 5. (a) This section applies whenever the court orders or approves removal of a child from the home of a child's parent or guardian and placement of the child in a child caring institution (as defined in IC 12-7-2-29), a foster family home (as defined in IC 12-7-2-90), or the home of a relative of the child that is not a foster family home.

(b) If an existing support order is in effect, the court shall order the support payments to be assigned to the ~~county office~~ **department of child services** for the duration of the placement out of the home of the child's parent or guardian. The court shall notify the court that:

(1) entered the existing support order; or

(2) had jurisdiction, immediately before the placement, to modify or enforce the existing support order;

of the assignment and assumption of jurisdiction by the juvenile court under this section.

(c) If an existing support order is not in effect, the court shall do the following:

(1) Include in the order for removal or placement of the child an assignment to the ~~county office,~~ **department of child services,** or confirmation of an assignment that occurs or is required under applicable federal law, of any rights to support, including support for the cost of any medical care payable by the state under IC 12-15, from any parent or guardian who has a legal obligation to support the child.

(2) Order support paid to the ~~county office~~ **department of child services** by each of the child's parents or the guardians of the child's estate to be based on child support guidelines adopted by the Indiana supreme court and for the duration of the placement of the child out of the home of the child's parent or guardian, unless:

(A) the court finds that entry of an order based on the child support guidelines would be unjust or inappropriate considering the best interests of the child and other necessary obligations of the child's family; or

(B) the county office **or the department of child services** does not make foster care maintenance payments to the custodian of the child. For purposes of this clause, "foster care maintenance payments" means any payments for ~~the cost of (in whole or in part) and~~ the cost of providing food, clothing, shelter, daily supervision, school supplies, a child's personal incidentals, liability insurance with respect to a child, and reasonable amounts for travel to the child's home for visitation. In the case of a child caring institution, the term also includes the reasonable costs of administration and operation of the institution as are necessary to provide the items described in this clause.

(3) If the court:

(A) does not enter a support order; or

(B) enters an order that is not based on the child support guidelines;

the court shall make findings as required by 45 CFR 302.56(g).

(d) Payments in accordance with a support order assigned under subsection (b) or entered under subsection (c) (or IC 31-6-4-18(f) before its repeal) shall be paid through the clerk of the circuit court as trustee for remittance to the ~~county office.~~ **department of child services.**

(e) The Title IV-D agency shall establish, modify, or enforce a support order assigned or entered by a court under this section in accordance with IC 12-17-2 and 42 U.S.C. 654. The county office shall, if requested, assist the Title IV-D agency in performing its duties under this subsection.

(f) If the juvenile court terminates placement of a child out of the home of the child's parent or guardian, the court shall:

(1) notify the court that:

(A) entered a support order assigned to the county office under subsection (b); or

(B) had jurisdiction, immediately before the placement, to modify or enforce the existing support order;

of the termination of jurisdiction of the juvenile court with respect to the support order;

(2) terminate a support order entered under subsection (c) that requires payment of support by a custodial parent or guardian of the child, with respect to support obligations that accrue after termination of the placement; or

(3) continue in effect, subject to modification or enforcement by a court having jurisdiction over the obligor, a support order entered under subsection (c) that requires payment of support by a noncustodial parent or guardian of the estate of the child.

(g) The court may at or after a hearing described in section 3 of this chapter order the child's parent or the guardian of the child's estate to reimburse:

(1) the county ~~office~~ for all or any portion of the expenses for services provided to or for the benefit of the child that are paid **(or must be reimbursed by the county)** from the county ~~family and children's~~ **child welfare** fund; **and**

(2) if subdivision (1) does not apply, the department of child services;

during the placement of the child out of the home of the parent or guardian, in addition to amounts reimbursed through payments in accordance with a support order assigned or entered as provided in this section, subject to applicable federal law.

(h) A support order requiring payment to a county office shall be treated after December 31, 2006, as requiring payment to the department of child services.

SECTION 241. IC 31-40-1-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 6. (a) The division ~~with the approval of the county fiscal body,~~ **or the department of child services** may contract with any of the following, on terms and conditions with respect to compensation and payment or reimbursement of expenses as the division **or department of child services** may determine, for the enforcement and collection of any parental reimbursement obligation established by order entered by the court under section 3 or 5(g) of this chapter:

(1) The prosecuting attorney of the county that paid the cost of the services ordered by the court, as provided in section 2 of this chapter **(as effective on December 31, 2006), and the**

prosecuting attorney of the county where the child resides for the costs of services ordered by the court, as provided in section 2 of this chapter (as effective after December 31, 2006).

(2) An attorney for the ~~county office that paid the cost of services ordered by the court,~~ **division or department of child services,** if the attorney is not an employee of the ~~county office~~ **department of child services** or the division.

(3) An attorney licensed to practice law in Indiana.

(b) A contract entered into under this section is subject to approval under IC 4-13-2-14.1.

(c) Any fee payable to a prosecuting attorney under a contract under subsection (a)(1) shall be deposited in the county general fund and credited to a separate account identified as the prosecuting attorney's child services collections account. The prosecuting attorney may expend funds credited to the prosecuting attorney's child services collections account, without appropriation, only for the purpose of supporting and enhancing the functions of the prosecuting attorney in enforcement and collection of parental obligations ~~to reimburse the county family and children's fund~~ **ordered by the court under section 3 or 5(g) of this chapter.**

SECTION 242. IC 31-40-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 7. (a) Amounts received as payment of support or reimbursement of the cost of services paid as provided in this chapter shall be distributed in the following manner:

(1) If any part of the cost of services was paid from federal funds under Title IV Part E of the Social Security Act (42 U.S.C. 671 et seq.), the amounts received shall first be applied as provided in 42 U.S.C. 657 and 45 CFR 302.52.

(2) **Subject to section 3(e) of this chapter,** all amounts remaining after the distributions required by subdivision (1) shall be deposited in:

(1) the ~~family and children's~~ **county child welfare** fund (established by IC 12-19-7-3) ~~of the~~ **if the money is received to pay a** county ~~that paid the cost of the services.~~ **obligation; or**

(2) the state child welfare fund (established by IC 31-33-1.5-13) if the money is received to pay an

obligation of the state fund.

(b) Any money deposited in a county ~~family and children's~~ **child welfare** fund under this section shall be reported to the ~~division,~~ **department of child services,** in the form and manner prescribed by the ~~division,~~ **department of child services,** and ~~shall be~~ applied to the ~~child services budget compiled and adopted by the county director for the next state fiscal year, in accordance with IC 12-19-7-6.~~ **obligations of the county child welfare fund.**

SECTION 243. IC 31-40-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1. If the parent or guardian of the estate:

(1) defaults in reimbursing the county **or state;** or

(2) fails to pay a fee authorized by this article;

the juvenile court may find the parent or guardian in contempt and enter judgment for the amount due.

SECTION 244. IC 36-2-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3. (a) The county fiscal body shall fix the compensation of officers, deputies, and other employees whose compensation is payable from the county general fund, county highway fund, county health fund, county park and recreation fund, aviation fund, or any other fund from which the county auditor issues warrants for compensation. This includes the power to:

(1) fix the number of officers, deputies, and other employees;

(2) describe and classify positions and services;

(3) adopt schedules of compensation; and

(4) hire or contract with persons to assist in the development of schedules of compensation.

(b) The county fiscal body shall provide for a county assessor or ~~elected~~ township assessor who has attained a level two certification under IC 6-1.1-35.5 to receive annually one thousand dollars ($1,000), which is in addition to and not part of the annual compensation of the assessor. The county fiscal body shall provide for a county or township deputy assessor who has attained a level two certification under IC 6-1.1-35.5 to receive annually five hundred dollars ($500), which is in addition to and not part of the annual compensation of the county or township deputy assessor.

(c) Notwithstanding subsection (a), the board of each local health department shall prescribe the duties of all its officers and employees,

recommend the number of positions, describe and classify positions and services, adopt schedules of compensation, and hire and contract with persons to assist in the development of schedules of compensation.

(d) This section does not apply to community corrections programs (as defined in IC 11-12-1-1 and IC 35-38-2.6-2).

SECTION 245. IC 36-2-15-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 5. (a) The county assessor shall perform the functions assigned by statute to the county assessor, including the following:

(1) Countywide equalization.

(2) Selection and maintenance of a countywide computer system.

(3) Certification of gross assessments to the county auditor.

(4) Discovery of omitted property.

(5) For a township that is not served by a township assessor, performance of assessment duties prescribed by IC 6-1.1 that were performed before January 1, 2008, by a township trustee assessor.

~~(b) The county assessor shall perform the functions of an assessing official under IC 36-6-5-2 in a township with a township assessor-trustee if the township assessor-trustee:~~

~~(1) fails to make a report that is required by law;~~

~~(2) fails to deliver a property tax record to the appropriate officer or board;~~

~~(3) fails to deliver an assessment to the county assessor; or~~

~~(4) fails to perform any other assessing duty as required by statute or rule of the department of local government finance;~~

~~within the time period prescribed by statute or rule of the department or within a later time that is necessitated by reason of another official failing to perform the official's functions in a timely manner.~~

~~(c)~~ **(b)** A township ~~with a township trustee-assessor~~ **trustee who has attained a level two certification under IC 6-1.1-35.5** may ~~with the consent of the township board,~~ enter into ~~an agreement~~ **a contract** with:

(1) the county assessor; or

(2) ~~another~~ **a** township assessor in the county;

to perform any of the functions of an assessing official. ~~A township trustee-assessor may not contract for the performance of any function for a period of time that extends beyond the completion of the township trustee-assessor's term of office.~~

SECTION 246. IC 36-3-5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) This section applies whenever a special taxing district of the consolidated city has the power to issue bonds, notes, or warrants.

(b) Before any bonds, notes, or warrants of a special taxing district may be issued, the issue must be approved by resolution of the legislative body of the consolidated city.

(c) Any bonds of a special taxing district must be issued in the manner prescribed by statute for that district, and the board of the department having jurisdiction over the district shall:

(1) hold all required hearings;

(2) adopt all necessary resolutions; and

(3) appropriate the proceeds of the bonds;

in that manner. However, the legislative body shall levy each year the special tax required to pay the principal of and interest on the bonds and any bank paying charges.

(d) Notwithstanding any other statute, bonds of a special taxing district may:

(1) be dated;

(2) be issued in any denomination;

(3) mature at any time or times not exceeding fifty (50) years after their date; and

(4) be payable at any bank or banks;

as determined by the board. The interest rate or rates that the bonds will bear must be determined by bidding, notwithstanding IC 5-1-11-3.

(e) Bonds of a special taxing district are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to **the following:**

(1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.

(2) The giving of notice of a hearing on the appropriation of the proceeds of bonds.

(3) The right of taxpayers to appear and be heard on the proposed appropriation.

(4) The approval of the appropriation by the department of local government finance.

(5) The right of taxpayers to:

(A) remonstrate against the issuance of bonds; ~~and~~ **or**

(B) vote on the proposed issuance in an election on a local

public question.

(6) The sale of bonds at public sale.

SECTION 247. IC 36-3-7-5, AS AMENDED BY P.L.131-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 5. (a) Liens for taxes levied by the consolidated city are perfected when evidenced on the tax duplicate in the office of the treasurer of the county.

(b) Liens created when the city enters upon property to make improvements to bring it into compliance with a city ordinance, and liens created upon failure to pay charges assessed by the city for services shall be certified to the auditor, after the adoption of a resolution confirming the incurred expense by the appropriate city department, board, or other agency. In addition, the resolution must state the name of the owner as it appears on the township assessor's **or county assessor's** record and a description of the property.

(c) The amount of a lien shall be placed on the tax duplicate by the auditor in the nature of a delinquent tax subject to enforcement and collection as otherwise provided under IC 6-1.1-22, IC 6-1.1-24, and IC 6-1.1-25. However, the amount of the lien is not considered a tax within the meaning of IC 6-1.1-21-2(b) and shall not be included as a part of either a total county tax levy under IC 6-1.1-21-2(g) or the tax liability of a taxpayer under IC 6-1.1-21-5 for purposes of the tax credit computations under IC 6-1.1-21-4 and IC 6-1.1-21-5.

SECTION 248. IC 36-4-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. Before ~~the publication of notice of budget estimates required by IC 6-1.1-17-3,~~ **August 10 of each calendar year,** each city shall formulate a budget estimate for the ensuing budget year in the following manner:

(1) Each department head shall prepare for his department an estimate of the amount of money required for the ensuing budget year, stating in detail each category and item of expenditure he anticipates.

(2) The city fiscal officer shall prepare an itemized estimate of revenues available for the ensuing budget year, and shall prepare an itemized estimate of expenditures for other purposes above the money proposed to be used by the departments.

(3) The city executive shall meet with the department heads and the fiscal officer to review and revise their various estimates.

(4) After the executive's review and revision, the fiscal officer shall prepare for the executive a report of the estimated department budgets, miscellaneous expenses, and revenues necessary or available to finance the estimates.

SECTION 249. IC 36-5-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3. A petition for incorporation must be accompanied by the following items, to be supplied at the expense of the petitioners:

(1) A survey, certified by a surveyor registered under IC 25-21.5, showing the boundaries of and quantity of land contained in the territory sought to be incorporated.

(2) An enumeration of the territory's residents and landowners and their mailing addresses, completed not more than thirty (30) days before the time of filing of the petition and verified by the persons supplying it.

(3) A statement of the assessed valuation of all real property within the territory, certified by the **assessor or** assessors ~~of~~ **who serve** the ~~townships~~ **area** in which the territory is located.

(4) A statement of the services to be provided to the residents of the proposed town and the approximate times at which they are to be established.

(5) A statement of the estimated cost of the services to be provided and the proposed tax rate for the town.

(6) The name to be given to the proposed town.

SECTION 250. IC 36-5-2-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 11. (a) The legislative body may issue bonds for the purpose of procuring money to be used in the exercise of the powers of the town and for the payment of town debts. However, a town may not issue bonds to procure money to pay current expenses.

(b) Bonds issued under this section are payable in the amounts and at the times determined by the legislative body.

(c) Bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to **the following:**

(1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.

(2) The giving of notice of a hearing on the appropriation of the proceeds of bonds.

(3) The right of taxpayers to appear and be heard on the proposed appropriation.

(4) The approval of the appropriation by the department of local government finance.

(5) The right of taxpayers to:

(A) remonstrate against the issuance of bonds; ~~and~~ **or**

(B) vote on the proposed issuance in an election on a local public question.

(6) The sale of bonds at public sale for not less than their par value.

(d) The legislative body may, by ordinance, make loans of money for not more than five (5) years and issue notes for the purpose of refunding those loans. The loans may be made only for the purpose of procuring money to be used in the exercise of the powers of the town, and the total amount of outstanding loans under this subsection may not exceed five percent (5%) of the town's total tax levy in the current year (excluding amounts levied to pay debt service and lease rentals). Loans under this subsection shall be made as follows:

(1) The ordinance authorizing the loans must pledge to their payment a sufficient amount of tax revenues over the ensuing five (5) years to provide for refunding the loans.

(2) The loans must be evidenced by notes of the town in terms designating the nature of the consideration, the time and place payable, and the revenues out of which they will be payable.

(3) The interest accruing on the notes to the date of maturity may be added to and included in their face value or be made payable periodically, as provided in the ordinance.

Notes issued under this subsection are not bonded indebtedness for purposes of IC 6-1.1-18.5.

SECTION 251. IC 36-5-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. Before ~~the publication of notice of budget estimates required by IC 6-1.1-17-3,~~ **August 10 of each calendar year,** each town shall formulate a budget estimate for the ensuing budget year in the following manner, unless it provides by ordinance for a different manner:

(1) Each department head shall prepare for his department an estimate of the amount of money required for the ensuing budget year, stating in detail each category and item of expenditure he

anticipates.

(2) The town fiscal officer shall prepare an itemized estimate of revenues available for the ensuing budget year, and shall prepare an itemized estimate of expenditures for other purposes above the money proposed to be used by the departments.

(3) The town executive shall meet with the department heads and the fiscal officer to review and revise their various estimates.

(4) After the executive's review and revision, the fiscal officer shall prepare for the executive a report of the estimated department budgets, miscellaneous expenses, and revenues necessary or available to finance the estimates.

SECTION 252. IC 36-6-4-3, AS AMENDED BY P.L.73-2005, SECTION 173, AND AS AMENDED BY P.L.227-2005, SECTION 36, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3. The executive shall do the following:

(1) Keep a written record of official proceedings.

(2) Manage all township property interests.

(3) Keep township records open for public inspection.

(4) Attend all meetings of the township legislative body.

(5) Receive and pay out township funds.

(6) Examine and settle all accounts and demands chargeable against the township.

(7) Administer ~~*poor relief*~~ *township assistance* under IC 12-20 and IC 12-30-4.

(8) Perform the duties of fence viewer under IC 32-26.

~~(9) Act as township assessor when required by IC 36-6-5.~~

~~(10)~~ **(9)** Provide and maintain cemeteries under IC 23-14.

~~(11)~~ **(10)** Provide fire protection under IC 36-8, *except in a township that:*

(A) is located in a county having a consolidated city; and

(B) consolidated the township's fire department under IC 36-3-1-6.1.

~~(12)~~ **(11)** File an annual personnel report under IC 5-11-13.

~~(13)~~ **(12)** Provide and maintain township parks and community centers under IC 36-10.

~~(14)~~ **(13)** Destroy detrimental plants, noxious weeds, and rank vegetation under IC 15-3-4.

~~(15)~~ **(14)** Provide insulin to the poor under IC 12-20-16.

~~(16)~~ **(15)** Perform other duties prescribed by statute.

SECTION 253. IC 36-6-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 2. (a) This section applies to townships that do not have an elected or appointed and qualified township assessor.

(b) The ~~township executive~~ **county assessor** shall perform all the duties and has all the rights and powers of assessor. If a township qualifies under IC 36-6-5-1 to elect a township assessor, the ~~executive~~ **county assessor** shall continue to serve as assessor until an assessor is appointed or elected and qualified.

(c) The bond filed by the executive in his capacity as executive also covers his duties as assessor.

SECTION 254. IC 36-6-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. The assessor shall perform the duties prescribed by statute, including

~~(1)~~ assessment duties prescribed by IC 6-1.1. ~~and~~

~~(2) administration of the dog tax and dog fund, as prescribed by IC 15-5-9.~~

SECTION 255. IC 36-6-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 10. (a) This section does not apply to the appropriation of money to pay a deputy, an employee, or a technical adviser that assists a township assessor with assessment duties or to ~~an elected~~ **a** township assessor.

(b) The township legislative body shall fix the:

(1) salaries;

(2) wages;

(3) rates of hourly pay; and

(4) remuneration other than statutory allowances;

of all officers and employees of the township.

(c) ~~Subject to subsection (d),~~ The township legislative body may reduce the salary of an elected or appointed official. However, the official is entitled to a salary that is not less than the salary fixed for the first year of the term of office that immediately preceded the current term of office.

(d) ~~Except as provided in subsection (c),~~ The township legislative body may not alter the salaries of elected or appointed officers during the fiscal year for which they are fixed, but it may add or eliminate any

other position and change the salary of any other employee, if the necessary funds and appropriations are available.

~~(e) In a township that does not elect a township assessor under IC 36-6-5-1, the township legislative body may appropriate available township funds to supplement the salaries of elected or appointed officers to compensate them for performing assessing duties. However, in any calendar year no officer or employee may receive a salary and additional salary supplements which exceed the salary fixed for that officer or employee under subsection (b).~~

~~(f)~~ **(e)** If a change in the mileage allowance paid to state officers and employees is established by July 1 of any year, that change shall be included in the compensation fixed for the township executive ~~and assessor~~ under this section, to take effect January 1 of the next year. However, the township legislative body may by ordinance provide for the change in the sum per mile to take effect before January 1 of the next year.

~~(g)~~ **(f)** The township legislative body may not reduce the salary of the township executive without the consent of the township executive during the term of office of the township executive as set forth in IC 36-6-4-2.

~~(h)~~ **(g)** This subsection applies when a township executive dies or resigns from office. The person filling the vacancy of the township executive shall receive at least the same salary the previous township executive received for the remainder of the unexpired term of office of the township executive (as set forth in IC 36-6-4-2), unless the person consents to a reduction in salary.

SECTION 256. IC 36-6-8-6.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: **Sec. 6.2. If a township executive received a salary increase under section 6 of this chapter before January 1, 2008, the township legislative body may annually appropriate from township funds the amount of the salary increase as a supplement to the township executive's annual salary.**

SECTION 257. IC 36-6-8-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 10. (a) The county fiscal body shall, in the manner prescribed by IC 36-2-5 or IC 36-2-6, fix and appropriate money to pay the per diem established under section 5 of this chapter and the salaries and per diems of the

county's township assessors and any deputies or other employees that assist the elected township assessor.

(b) Each township assessor shall file the budget estimate required by IC 36-2-5-5 or IC 36-3-6-4. The budget estimate filed under this subsection must include all estimated expenses of the office, including costs incurred through litigation for the office.

~~(c) If the township executive is performing the duties of assessor, the county fiscal body shall appropriate money for the purposes of subsection (a) and other expenses of acting as assessor, including all costs incurred through litigation for the office. However, it may not provide a salary that is below the amount fixed for that salary for the year 1984.~~

SECTION 258. IC 36-7-11.2-58 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 58. (a) A person who has filed a petition under section 56 or 57 of this chapter shall, not later than ten (10) days after the filing, serve notice upon all interested parties. The notice must state the following:

(1) The full name and address of the following:

(A) The petitioner.

(B) Each attorney acting for and on behalf of the petitioner.

(2) The street address of the Meridian Street and bordering property for which the petition was filed.

(3) The name of the owner of the property.

(4) The full name and address of, and the type of business, if any, conducted by:

(A) each person who at the time of the filing is a party to; and

(B) each person who is a disclosed or an undisclosed principal for whom the party was acting as agent in entering into;

a contract of sale, lease, option to purchase or lease, agreement to build or develop, or other written agreement of any kind or nature concerning the subject property or the present or future ownership, use, occupancy, possession, or development of the subject property.

(5) A description of the contract of sale, lease, option to purchase or lease, agreement to build or develop, or other written agreement sufficient to disclose the full nature of the interest of the party or of the party's principal in the subject property or in the present or future ownership, use, occupancy, possession, or development of

the subject property.

(6) A description of the proposed use for which the rezoning or zoning variance is sought, sufficiently detailed to appraise the notice recipient of the true character, nature, extent, and physical properties of the proposed use.

(7) The date of the filing of the petition.

(8) The date, time, and place of the next regular meeting of the commission if a petition is for approval of a zoning variance. If a petition is filed with the development commission, the notice does not have to specify the date of a hearing before the commission or the development commission. However, the person filing the petition shall give ten (10) days notice of the date, time, and place of a hearing before the commission on the petition after the referral of the petition to the commission by the development commission.

(b) For purposes of giving notice to the interested parties who are owners, the records in the bound volumes of the recent real estate tax assessment records as the records appear in the ~~offices~~ **office** of the township ~~assessors~~ **assessor or the county assessor** as of the date of filing are considered determinative of the persons who are owners.

SECTION 259. IC 36-7-11.3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 6. As used in this chapter, "notice" means written notice:

(1) served personally upon the person, official, or office entitled to the notice; or

(2) served upon the person, official, or office by placing the notice in the United States mail, first class postage prepaid, properly addressed to the person, official, or office. Notice is considered served if mailed in the manner prescribed by this subdivision properly addressed to the following:

(A) The governor, both to the address of the governor's official residence and to the governor's executive office in Indianapolis.

(B) The Indiana department of transportation, to the commissioner.

(C) The department of natural resources, both to the director of the department and to the director of the department's division of historic preservation and archeology.

(D) The municipal plan commission.

(E) An occupant, to:

(i) the person by name; or

(ii) if the name is unknown, to the "Occupant" at the address of the primary or secondary property occupied by the person.

(F) An owner, to the person by the name shown to be the name of the owner, and at the person's address, as appears in the records in the bound volumes of the most recent real estate tax assessment records as the records appear in the ~~offices~~ **office** of the township ~~assessors in~~ **assessor or** the county **assessor.**

(G) The society, to the organization at the latest address as shown in the records of the commission.

SECTION 260. IC 36-7-11.3-52 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 52. (a) A person who has filed a petition under section 50 or 51 of this chapter shall, not later than ten (10) days after the filing, serve notice upon all interested parties. The notice must state the following:

(1) The full name and address of the following:

(A) The petitioner.

(B) Each attorney acting for and on behalf of the petitioner.

(2) The street address of the primary and secondary property for which the petition was filed.

(3) The name of the owner of the property.

(4) The full name and address of and the type of business, if any, conducted by:

(A) each person who at the time of the filing is a party to; and

(B) each person who is a disclosed or an undisclosed principal for whom the party was acting as agent in entering into;

a contract of sale, lease, option to purchase or lease, agreement to build or develop, or other written agreement of any kind or nature concerning the subject property or the present or future ownership, use, occupancy, possession, or development of the subject property.

(5) A description of the contract of sale, lease, option to purchase or lease, agreement to build or develop, or other written agreement sufficient to disclose the full nature of the interest of the party or of the party's principal in the subject property or in the present or

future ownership, use, occupancy, possession, or development of the subject property.

(6) A description of the proposed use for which the rezoning or zoning variance is sought, sufficiently detailed to appraise the notice recipient of the true character, nature, extent, and physical properties of the proposed use.

(7) The date of the filing of the petition.

(8) The date, time, and place of the next regular meeting of the commission if a petition is for approval of a zoning variance. If a petition is filed with the development commission, the notice does not have to specify the date of a hearing before the commission or the development commission. However, the person filing the petition shall give ten (10) days notice of the date, time, and place of a hearing before the commission on the petition after the referral of the petition to the commission by the development commission.

(b) For purposes of giving notice to the interested parties who are owners, the records in the bound volumes of the recent real estate tax assessment records as the records appear in the ~~offices~~ **office** of the township ~~assessors~~ **assessor or the county assessor** as of the date of filing are considered determinative of the persons who are owners.

SECTION 261. IC 36-7-14-25.1, AS AMENDED BY P.L.185-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 25.1. (a) In addition to other methods of raising money for property acquisition or redevelopment in a redevelopment project area, and in anticipation of the special tax to be levied under section 27 of this chapter, the taxes allocated under section 39 of this chapter, or other revenues of the district, or any combination of these sources, the redevelopment commission may, by resolution and subject to subsection (p), issue the bonds of the special taxing district in the name of the unit. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the acquisition and redevelopment of the property, including:

(1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;

(2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory

expenses related to the acquisition and redevelopment of the property or the issuance of bonds;

(3) capitalized interest permitted by this chapter and a debt service reserve for the bonds to the extent the redevelopment commission determines that a reserve is reasonably required; and

(4) expenses that the redevelopment commission is required or permitted to pay under IC 8-23-17.

(b) If the redevelopment commission plans to acquire different parcels of land or let different contracts for redevelopment work at approximately the same time, whether under one (1) or more resolutions, the commission may provide for the total cost in one (1) issue of bonds.

(c) The bonds must be dated as set forth in the bond resolution and negotiable, subject to the requirements of the bond resolution for registering the bonds. The resolution authorizing the bonds must state:

(1) the denominations of the bonds;

(2) the place or places at which the bonds are payable; and

(3) the term of the bonds, which may not exceed fifty (50) years.

The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the redevelopment commission.

(d) The redevelopment commission shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds, subject to subsection (p). The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds must be executed by the appropriate officer of the unit and attested by the municipal or county fiscal officer.

(f) The bonds are exempt from taxation for all purposes.

(g) The municipal or county fiscal officer shall give notice of the sale of the bonds by publication in accordance with IC 5-3-1. The municipal fiscal officer, or county fiscal officer or executive, shall sell the bonds to the highest bidder, but may not sell them for less than ninety-seven percent (97%) of their par value. However, bonds payable solely or in part from tax proceeds allocated under section 39(b)(2) of this chapter, or other revenues of the district may be sold at a private negotiated sale.

(h) Except as provided in subsection (i), a redevelopment

commission may not issue the bonds when the total issue, including bonds already issued and to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the special taxing district, as determined under IC 36-1-15.

(i) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the redevelopment commission:

(1) from a special tax levied upon all of the property in the taxing district, as provided by section 27 of this chapter;

(2) from the tax proceeds allocated under section 39(b)(2) of this chapter;

(3) from other revenues available to the redevelopment commission; or

(4) from a combination of the methods stated in subdivisions (1) through (3).

If the bonds are payable solely from the tax proceeds allocated under section 39(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

(j) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.

(k) All laws relating to the giving of notice of the issuance of bonds, the giving of notice of a hearing on the appropriation of the proceeds of the bonds, the right of taxpayers to appear and be heard on the proposed appropriation, and the approval of the appropriation by the department of local government finance apply to all bonds issued under this chapter that are payable from the special benefits tax levied pursuant to section 27 of this chapter or from taxes allocated under section 39 of this chapter.

(l) All laws relating to:

(1) the filing of petitions requesting the issuance of bonds; and

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; **or**

(B) vote on the proposed issuance in an election on a local public question;

apply to bonds issued under this chapter, except for bonds payable solely from tax proceeds allocated under section 39(b)(2) of this

chapter, other revenues of the redevelopment commission, or any combination of these sources.

(m) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(n) Any amount remaining in the debt service reserve after all of the bonds of the issue for which the debt service reserve was established have matured shall be deposited in the allocation fund established under section 39(b)(2) of this chapter.

(o) If bonds are issued under this chapter that are payable solely or in part from revenues to the redevelopment commission from a project or projects, the redevelopment commission may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects, but may not convey or mortgage any project or parts of a project. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the redevelopment commission. The redevelopment commission may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the redevelopment commission that are payable solely from revenues of the commission shall contain a statement to that effect in the form of bond.

(p) If the total principal amount of bonds authorized by a resolution of the redevelopment commission is equal to or greater than three million dollars ($3,000,000), the bonds may not be issued without the approval, by resolution, of the legislative body of the unit.

SECTION 262. IC 36-7-14.5-12.5, AS AMENDED BY P.L.185-2005, SECTION 25, AND AS AMENDED BY P.L.190-2005, SECTION 12, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 12.5. (a) This section applies only to an authority in a county having a United States government military base that is scheduled for closing or is completely or partially inactive or closed.

(b) In order to accomplish the purposes set forth in ~~section 11(b)~~

section 11 of this chapter, an authority may create an economic development area:

(1) by following the procedures set forth in IC 36-7-14-41 for the establishment of an economic development area by a redevelopment commission; and

(2) with the same effect as if the economic development area was created by a redevelopment commission.

~~*However, an authority may not include in an economic development area created under this section any area that was declared a redevelopment project area, an urban renewal area, or an economic development area under IC 36-7-14.*~~ *The area established under this section shall be established only in the area where a United States government military base that is scheduled for closing or is completely or partially inactive or closed is or was located.*

(c) In order to accomplish the purposes set forth in ~~section 11(b)~~ **section 11** of this chapter, an authority may do the following in a manner that serves an economic development area created under this section:

(1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of economic development areas located within the corporate boundaries of the unit.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of economic development areas on the terms and conditions that the authority considers best for the unit and the unit's inhabitants.

(3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.

(4) Clear real property acquired for redevelopment purposes.

(5) Repair and maintain structures acquired for redevelopment purposes.

(6) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired for redevelopment purposes.

(7) Survey or examine any land to determine whether the land should be included within an economic development area to be acquired for redevelopment purposes and to determine the value of that land.

(8) Appear before any other department or agency of the unit, or before any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for redevelopment purposes; or

(B) any economic development area within the jurisdiction of the authority.

(9) Institute or defend in the name of the unit any civil action, but all actions against the authority must be brought in the circuit or superior court of the county where the authority is located.

(10) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the authority.

(11) Exercise the power of eminent domain in the name of and within the corporate boundaries of the unit subject to the same conditions and procedures that apply to the exercise of the power of eminent domain by a redevelopment commission under IC 36-7-14.

(12) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, and attorneys.

(13) Appoint clerks, guards, laborers, and other employees the authority considers advisable, except that those appointments must be made in accordance with the merit system of the unit if such a system exists.

(14) Prescribe the duties and regulate the compensation of employees of the authority.

(15) Provide a pension and retirement system for employees of the authority by using the public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development.

(16) Discharge and appoint successors to employees of the authority subject to subdivision (13).

(17) Rent offices for use of the department or authority, or accept the use of offices furnished by the unit.

(18) Equip the offices of the authority with the necessary furniture, furnishings, equipment, records, and supplies.

(19) Design, order, contract for, and construct, reconstruct, improve, or renovate the following:

(A) Any local public improvement or structure that is necessary for redevelopment purposes or economic development within the corporate boundaries of the unit.

(B) Any structure that enhances development or economic development.

(20) Contract for the construction, extension, or improvement of pedestrian skyways (as defined in IC 36-7-14-12.2(c)).

(21) Accept loans, grants, and other forms of financial assistance from, or contract with, the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(22) Make and enter into all contracts and agreements necessary or incidental to the performance of the duties of the authority and the execution of the powers of the authority under this chapter.

(23) Take any action necessary to implement the purpose of the authority.

(24) Provide financial assistance, in the manner that best serves the purposes set forth in ~~section 11(b)~~ **section 11** of this chapter, including grants and loans, to enable private enterprise to develop, redevelop, and reuse military base property or otherwise enable private enterprise to provide social and economic benefits to the citizens of the unit.

(d) An authority may designate all or a portion of an economic development area created under this section as an allocation area by following the procedures set forth in IC 36-7-14-39 for the establishment of an allocation area by a redevelopment commission. The allocation provision may modify the definition of "property taxes" under IC 36-7-14-39(a) to include taxes imposed under IC 6-1.1 on the depreciable personal property located and taxable on the site of operations of designated taxpayers in accordance with the procedures applicable to a commission under IC 36-7-14-39.3. IC 36-7-14-39.3 applies to such a modification. An allocation area established by an authority under this section is a special taxing district authorized by the general assembly to enable the unit to provide special benefits to

taxpayers in the allocation area by promoting economic development that is of public use and benefit. For allocation areas established for an economic development area created under this section after June 30, 1997, and to the expanded portion of an allocation area for an economic development area that was established before June 30, 1997, and that is expanded under this section after June 30, 1997, the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date, must be allocated. All of the provisions of IC 36-7-14-39, IC 36-7-14-39.1, and IC 36-7-14-39.5 apply to an allocation area created under this section, except that the authority shall be vested with the rights and duties of a commission as referenced in those sections, and except that, notwithstanding IC 36-7-14-39(b)(2), property tax proceeds paid into the allocation fund may be used by the authority only to do one (1) or more of the following:

(1) Pay the principal of and interest and redemption premium on any obligations incurred by the special taxing district or any other entity for the purpose of financing or refinancing military base reuse activities in or serving or ~~*benefitting*~~ *benefiting* that allocation area.

(2) Establish, augment, or restore the debt service reserve for obligations payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the authority (including lease rental revenues).

(3) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

(4) Reimburse any other governmental body for expenditures made by it for local public improvements or structures in or serving or ~~*benefitting*~~ *benefiting* that allocation area.

(5) Pay all or a portion of a property tax replacement credit to taxpayers in an allocation area as determined by the authority. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under IC 36-7-14-39.5 in the same year.

(6) Pay expenses incurred by the authority for local public improvements or structures that are in the allocation area or serving or benefiting the allocation area.

(7) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(A) in the allocation area; and

(B) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in clause (B). The reimbursements under this subdivision must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made. The allocation fund may not be used for operating expenses of the authority.

(e) In addition to other methods of raising money for property acquisition, redevelopment, or economic development activities in or directly serving or benefitting an economic development area created by an authority under this section, and in anticipation of the taxes

allocated under subsection (d), other revenues of the authority, or any combination of these sources, the authority may, by resolution, issue the bonds of the special taxing district in the name of the unit. Bonds issued under this section may be issued in any amount without limitation. The following apply if such a resolution is adopted:

(1) The authority shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(2) The bonds must be executed by the appropriate officer of the unit and attested by the unit's fiscal officer.

(3) The bonds are exempt from taxation for all purposes.

(4) Bonds issued under this section may be sold at public sale in accordance with IC 5-1-11 or at a negotiated sale.

(5) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the authority:

(A) from the tax proceeds allocated under subsection (d);

(B) from other revenues available to the authority; or

(C) from a combination of the methods stated in clauses (A) and (B).

(6) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.

(7) Laws relating to:

(A) the filing of petitions requesting the issuance of bonds; and

(B) the right of taxpayers to:

(i) remonstrate against the issuance of bonds; **or**

(ii) vote on the proposed issuance in an election on a local public question;

do not apply to bonds issued under this section.

(8) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(9) If bonds are issued under this chapter that are payable solely or in part from revenues to the authority from a project or projects, the authority may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds.

The resolution or trust indenture may pledge or assign the revenues from the project or projects. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority. The authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the authority that are payable solely from revenues of the authority shall contain a statement to that effect in the form of bond.

(f) Notwithstanding section 8(a) of this chapter, an ordinance adopted under ~~section 11(b)~~ **section 11** of this chapter may provide, or be amended to provide, that the board of directors of the authority shall be composed of not fewer than three (3) nor more than ~~*seven (7)*~~ *eleven (11)* members, who must be residents of the unit appointed by the executive of the unit.

(g) The acquisition of real and personal property by an authority under this section is not subject to the provisions of IC 5-22, IC 36-1-10.5, IC 36-7-14-19, or any other statutes governing the purchase of property by public bodies or their agencies.

(h) An authority may negotiate for the sale, lease, or other disposition of real and personal property without complying with the provisions of IC 5-22-22, IC 36-1-11, IC 36-7-14-22, or any other statute governing the disposition of public property.

(i) Notwithstanding any other law, utility services provided within an economic development area established under this section are subject to regulation by the appropriate regulatory agencies unless the utility service is provided by a utility that provides utility service solely within the geographic boundaries of an existing or a closed military installation, in which case the utility service is not subject to regulation for purposes of rate making, regulation, service delivery, or issuance of bonds or other forms of indebtedness. However, this exemption from regulation does not apply to utility service if the service is generated, treated, or produced outside the boundaries of the existing or closed military installation.

SECTION 263. IC 36-7-15.1-17, AS AMENDED BY

P.L.185-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 17. (a) In addition to other methods of raising money for property acquisition or redevelopment in a redevelopment project area, and in anticipation of the special tax to be levied under section 19 of this chapter, the taxes allocated under section 26 of this chapter, or other revenues of the redevelopment district, the commission may, by resolution, issue the bonds of the redevelopment district in the name of the consolidated city and in accordance with IC 36-3-5-8. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the acquisition and redevelopment of the property, including:

(1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;

(2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment of the property or the issuance of bonds;

(3) capitalized interest permitted in this chapter and a debt service reserve for the bonds, to the extent that the redevelopment commission determines that a reserve is reasonably required;

(4) the total cost of all clearing and construction work provided for in the resolution; and

(5) expenses that the commission is required or permitted to pay under IC 8-23-17.

(b) If the commission plans to acquire different parcels of land or let different contracts for redevelopment work at approximately the same time, whether under one (1) or more resolutions, the commission may provide for the total cost in one (1) issue of bonds.

(c) The bonds must be dated as set forth in the bond resolution and negotiable subject to the requirements of the bond resolution for the registration of the bonds. The resolution authorizing the bonds must state:

(1) the denominations of the bonds;

(2) the place or places at which the bonds are payable; and

(3) the term of the bonds, which may not exceed fifty (50) years.

The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the commission.

(d) The commission shall certify a copy of the resolution authorizing the bonds to the fiscal officer of the consolidated city, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds shall be executed by the city executive and attested by the fiscal officer. The interest coupons, if any, shall be executed by the facsimile signature of the fiscal officer.

(f) The bonds are exempt from taxation as provided by IC 6-8-5.

(g) The city fiscal officer shall sell the bonds according to law. Notwithstanding IC 36-3-5-8, bonds payable solely or in part from tax proceeds allocated under section 26(b)(2) of this chapter or other revenues of the district may be sold at private negotiated sale and at a price or prices not less than ninety-seven percent (97%) of the par value.

(h) The bonds are not a corporate obligation of the city but are an indebtedness of the redevelopment district. The bonds and interest are payable:

(1) from a special tax levied upon all of the property in the redevelopment district, as provided by section 19 of this chapter;

(2) from the tax proceeds allocated under section 26(b)(2) of this chapter;

(3) from other revenues available to the commission; or

(4) from a combination of the methods stated in subdivisions (1) through (3);

and from any revenues of the designated project. If the bonds are payable solely from the tax proceeds allocated under section 26(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

(i) Proceeds from the sale of the bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issue.

(j) Notwithstanding IC 36-3-5-8, the laws relating to:

(1) the filing of petitions requesting the issuance of bonds; and

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; **or**

(B) vote on the proposed issuance in an election on a local public question;

applicable to bonds issued under this chapter do not apply to bonds payable solely or in part from tax proceeds allocated under section 26(b)(2) of this chapter, other revenues of the commission, or any combination of these sources.

(k) If bonds are issued under this chapter that are payable solely or in part from revenues to the commission from a project or projects, the commission may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects, but may not convey or mortgage any project or parts of a project. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the commission. The commission may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the commission that are payable solely from revenues of the commission must contain a statement to that effect in the form of bond.

SECTION 264. IC 36-7-15.1-26.9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 26.9. (a) The definitions set forth in section 26.5 of this chapter apply to this section.

(b) The fiscal officer of the consolidated city shall publish in the newspaper in the county with the largest circulation all determinations made under section 26.5 or 26.7 of this chapter that result in the allowance or disallowance of credits. The publication of a determination made under section 26.5 of this chapter shall be made not later than June 20 of the year in which the determination is made. The publication of a determination made under section 26.7 of this chapter shall be made not later than December 5 of the year in which the determination is made.

(c) If credits are granted under section 26.5(g) or 26.5(h) of this chapter, whether in whole or in part, property taxes on personal property (as defined in IC 6-1.1-1-11) that are equal to the aggregate amounts of the credits for all taxpayers in the allocation area under section 26.5(g) and 26.5(h) of this chapter shall be:

(1) allocated to the redevelopment district;

(2) paid into the special fund for that allocation area; and

(3) used for the purposes specified in section 26 of this chapter.

(d) The county auditor shall adjust the estimate of assessed valuation that the auditor certifies under IC 6-1.1-17-1 for all taxing units in which the allocation area is located. ~~The county auditor may amend this adjustment at any time before the earliest date a taxing unit must publish the unit's proposed property tax rate under IC 6-1.1-17-3 in the year preceding the year in which the credits under section 26.5(g) or 26.5(h) of this chapter are paid.~~ The auditor's adjustment to the assessed valuation shall be:

(1) calculated to produce an estimated assessed valuation that will offset the effect that paying personal property taxes into the allocation area special fund under subsection (c) would otherwise have on the ability of a taxing unit to achieve the taxing unit's tax levy in the following year; and

(2) used by the county board of tax adjustment, the department of local government finance, and each taxing unit in determining each taxing unit's tax rate and tax levy in the following year.

(e) The amount by which a taxing unit's levy is adjusted as a result of the county auditor's adjustment of assessed valuation under subsection (d), and the amount of the levy that is used to make direct payments to taxpayers under section 26.5(h) of this chapter, is not part of the total county tax levy under IC 6-1.1-21-2(g) and is not subject to IC 6-1.1-20.

(f) The ad valorem property tax levy limits imposed by IC 6-1.1-18.5-3 and IC 6-1.1-19-1.5 do not apply to ad valorem property taxes imposed that are used to offset the effect of paying personal property taxes into an allocation area special fund during the taxable year under subsection (d) or to make direct payments to taxpayers under section 26.5(h) of this chapter. For purposes of computing the ad valorem property tax levy limits imposed under IC 6-1.1-18.5-3 and IC 6-1.1-19-1.5, a taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed to offset the effect of paying personal property taxes into an allocation area special fund under subsection (d) or to make direct payments to taxpayers under section 26.5(h) of this chapter.

(g) Property taxes on personal property that are deposited in the allocation area special fund:

(1) are subject to any pledge of allocated property tax proceeds made by the redevelopment district under section 26(d) of this chapter, including but not limited to any pledge made to owners of outstanding bonds of the redevelopment district of allocated taxes from that area; and

(2) may not be treated as property taxes used to pay interest or principal due on debt under IC 6-1.1-21-2(g)(1)(D).

SECTION 265. IC 36-7-15.1-32 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 32. (a) The commission must establish a program for housing. The program, which may include such elements as the commission considers appropriate, must be adopted as part of a redevelopment plan or amendment to a redevelopment plan, and must establish an allocation area for purposes of sections 26 and 35 of this chapter for the accomplishment of the program.

(b) The notice and hearing provisions of sections 10 and 10.5 of this chapter apply to the resolution adopted under subsection (a). Judicial review of the resolution may be made under section 11 of this chapter.

(c) Before formal submission of any housing program to the commission, the department shall consult with persons interested in or affected by the proposed program and provide the affected neighborhood associations, residents, ~~and~~ township assessors, **and county assessors** with an adequate opportunity to participate in an advisory role in planning, implementing, and evaluating the proposed program. The department may hold public meetings in the affected neighborhood to obtain the views of neighborhood associations and residents.

SECTION 266. IC 36-7-15.1-45, AS AMENDED BY P.L.185-2005, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 45. (a) In addition to other methods of raising money for property acquisition or redevelopment in a redevelopment project area, and in anticipation of the special tax to be levied under section 50 of this chapter, the taxes allocated under section 53 of this chapter, or other revenues of the redevelopment district, a commission may, by resolution, issue the bonds of its redevelopment district in the name of the excluded city. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the

acquisition and redevelopment of the property, including:

(1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;

(2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment of the property or the issuance of bonds;

(3) capitalized interest permitted in this chapter and a debt service reserve for the bonds, to the extent that the redevelopment commission determines that a reserve is reasonably required;

(4) the total cost of all clearing and construction work provided for in the resolution; and

(5) expenses that the commission is required or permitted to pay under IC 8-23-17.

(b) If a commission plans to acquire different parcels of land or let different contracts for redevelopment work at approximately the same time, whether under one (1) or more resolutions, a commission may provide for the total cost in one (1) issue of bonds.

(c) The bonds must be dated as set forth in the bond resolution and negotiable subject to the requirements concerning registration of the bonds. The resolution authorizing the bonds must state:

(1) the denominations of the bonds;

(2) the place or places at which the bonds are payable; and

(3) the term of the bonds, which may not exceed fifty (50) years.

The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the commission.

(d) The commission shall certify a copy of the resolution authorizing the bonds to the fiscal officer of the excluded city, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds shall be executed by the excluded city executive and attested by the excluded city fiscal officer. The interest coupons, if any, shall be executed by the facsimile signature of the excluded city fiscal officer.

(f) The bonds are exempt from taxation as provided by IC 6-8-5.

(g) The excluded city fiscal officer shall sell the bonds according to law. Bonds payable solely or in part from tax proceeds allocated under section 53(b)(2) of this chapter or other revenues of the district may be

sold at private negotiated sale and at a price or prices not less than ninety-seven percent (97%) of the par value.

(h) The bonds are not a corporate obligation of the excluded city but are an indebtedness of the redevelopment district. The bonds and interest are payable:

(1) from a special tax levied upon all of the property in the redevelopment district, as provided by section 50 of this chapter;

(2) from the tax proceeds allocated under section 53(b)(2) of this chapter;

(3) from other revenues available to the commission; or

(4) from a combination of the methods described in subdivisions (1) through (3);

and from any revenues of the designated project. If the bonds are payable solely from the tax proceeds allocated under section 53(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

(i) Proceeds from the sale of the bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issue.

(j) The laws relating to:

(1) the filing of petitions requesting the issuance of bonds; and

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds applicable to bonds issued under this chapter; **or**

(B) vote on the proposed issuance in an election on a local public question;

do not apply to bonds payable solely or in part from tax proceeds allocated under section 53(b)(2) of this chapter, other revenues of the commission, or any combination of these sources.

(k) If bonds are issued under this chapter that are payable solely or in part from revenues to a commission from a project or projects, a commission may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects but may not convey or mortgage any project or parts of a project. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the

bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the commission. The commission may establish fees and charges for the use of any project and covenant with the owners of bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the commission that are payable solely from revenues of the commission must contain a statement to that effect in the form of bond.

SECTION 267. IC 36-7-30-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 18. (a) In addition to other methods of raising money for property acquisition, redevelopment, or economic development activities in or directly serving or benefiting a military base reuse area, and in anticipation of the taxes allocated under section 25 of this chapter, other revenues of the district, or any combination of these sources, the reuse authority may by resolution issue the bonds of the special taxing district in the name of the unit.

(b) The reuse authority shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds or a facsimile of the seal must be printed on the bonds.

(c) The bonds must be executed by the appropriate officer of the unit, and attested by the unit's fiscal officer.

(d) The bonds are exempt from taxation for all purposes.

(e) Bonds issued under this section may be sold at public sale in accordance with IC 5-1-11 or at a negotiated sale.

(f) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the reuse authority, from any of the following:

(1) The tax proceeds allocated under section 25 of this chapter.

(2) Other revenues available to the reuse authority.

(3) A combination of the methods stated in subdivisions (1) through (2).

If the bonds are payable solely from the tax proceeds allocated under section 25 of this chapter, other revenues of the reuse authority, or any combination of these sources, the bonds may be issued in any amount without limitation.

(g) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years after the date of issuance.

(h) All laws relating to:

(1) the filing of petitions requesting the issuance of bonds; and

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; **or**

(B) vote on the proposed issuance in an election on a local public question;

do not apply to bonds issued under this chapter.

(i) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(j) If bonds are issued under this chapter that are payable solely or in part from revenues of the reuse authority, the reuse authority may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign revenues of the reuse authority and properties becoming available to the reuse authority under this chapter. The resolution or trust indenture may also contain provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including a covenant setting forth the duties of the reuse authority. The reuse authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set the fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Revenue bonds issued by the reuse authority that are payable solely from revenues of the reuse authority shall contain a statement to that effect in the form of the bond.

SECTION 268. IC 36-7-30.5-23, AS ADDED BY P.L.203-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 23. (a) In addition to other methods of raising money for property acquisition, redevelopment, reuse, or economic development activities in or directly serving or benefitting a military base development area, and in anticipation of the taxes allocated under section 30 of this chapter, other revenues of the district, or any combination of these sources, the development authority may by resolution issue the bonds of the development authority.

(b) The secretary-treasurer of the development authority shall prepare the bonds. The seal of the development authority must be impressed on the bonds or a facsimile of the seal must be printed on the bonds.

(c) The bonds must be executed by the president of the development authority and attested by the secretary-treasurer.

(d) The bonds are exempt from taxation for all purposes.

(e) Bonds issued under this section may be sold at public sale in accordance with IC 5-1-11 or at a negotiated sale.

(f) The bonds are not a corporate obligation of a unit but are an indebtedness of only the development authority. The bonds and interest are payable, as set forth in the bond resolution of the development authority, from any of the following:

(1) The tax proceeds allocated under section 30 of this chapter.

(2) Other revenues available to the development authority.

(3) A combination of the methods stated in subdivisions (1) through (2).

The bonds issued under this section may be issued in any amount without limitation.

(g) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years after the date of issuance.

(h) All laws relating to:

(1) the filing of petitions requesting the issuance of bonds; and

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; **or**

(B) vote on the proposed issuance in an election on a local public question;

do not apply to bonds issued under this chapter.

(i) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(j) If bonds are issued under this chapter that are payable solely or in part from revenues of the development authority, the development authority may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign revenues of the development authority and properties becoming available to the

development authority under this chapter. The resolution or trust indenture may also contain provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including a covenant setting forth the duties of the development authority. The development authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set the fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Revenue bonds issued by the development authority that are payable solely from revenues of the development authority shall contain a statement to that effect in the form of the bond.

SECTION 269. IC 36-9-3-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 31. (a) This section applies to an authority that includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(b) The authority may issue revenue or general obligation bonds under this section.

(c) The board may issue revenue bonds of the authority for the purpose of procuring money to pay the cost of acquiring real or personal property for the purpose of this chapter. The issuance of bonds must be authorized by resolution of the board and approved by the county fiscal bodies of the counties in the authority before issuance. The resolution must provide for the amount, terms, and tenor of the bonds, and for the time and character of notice and mode of making sale of the bonds.

(d) The bonds are payable at the times and places determined by the board, but they may not run more than thirty (30) years after the date of their issuance and must be executed in the name of the authority by an authorized officer of the board and attested by the secretary. The interest coupons attached to the bonds may be executed by placing on them the facsimile signature of the authorized officer of the board.

(e) The president of the authority shall manage and supervise the preparation, advertisement, and sale of the bonds, subject to the authorizing ordinance. Before the sale of bonds, the president shall cause notice of the sale to be published in accordance with IC 5-3-1, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the

terms and conditions of sale and delivery of the bonds. The bonds shall be sold in accordance with IC 5-1-11. After the bonds have been properly sold and executed, the executive director or president shall deliver them to the controller of the authority and take a receipt for them, and shall certify to the treasurer the amount that the purchaser is to pay, together with the name and address of the purchaser. On payment of the purchase price the controller shall deliver the bonds to the purchaser, and the controller and executive director or president shall report their actions to the board.

(f) General obligation bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to **the following:**

(1) The filing of a petition requesting the issuance of bonds.

(2) The appropriation of the proceeds of bonds.

(3) The right of taxpayers to appeal and be heard on the proposed appropriation.

(4) The approval of the appropriation by the department of local government finance.

(5) The right of taxpayers to:

(A) remonstrate against the issuance of bonds; ~~and~~ **or**

(B) vote on the proposed issuance in an election on a local public question.

(6) The sale of bonds for not less than their par value.

(g) Notice of the filing of a petition requesting the issuance of bonds, notice of determination to issue bonds, and notice of the appropriation of the proceeds of the bonds shall be given by posting in the offices of the authority for a period of one (1) week and by publication in accordance with IC 5-3-1.

(h) The bonds are not a corporate indebtedness of any unit, but are an indebtedness of the authority as a municipal corporation. A suit to question the validity of the bonds issued or to prevent their issuance may not be instituted after the date set for sale of the bonds, and after that date the bonds may not be contested for any cause.

(i) The bonds issued under this section and the interest on them are exempt from taxation for all purposes except the financial institutions tax imposed under IC 6-5.5 or a state inheritance tax imposed under IC 6-4.1.

SECTION 270. IC 36-9-4-45 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 45. (a) Bonds issued

under this chapter:

(1) shall be issued in the denomination;

(2) are payable over a period not to exceed thirty (30) years from the date of the bonds; and

(3) mature;

as determined by the ordinance authorizing the bond issue.

(b) All bonds issued under this chapter, the interest on them, and the income from them are exempt from taxation to the extent provided by IC 6-8-5-1.

(c) The provisions of IC 6-1.1-20 relating to:

(1) filing petitions requesting the issuance of bonds and giving notice of those petitions;

(2) giving notice of a hearing on the appropriation of the proceeds of the bonds;

(3) the right of taxpayers to appear and be heard on the proposed appropriation;

(4) the approval of the appropriation by the department of local government finance; and

(5) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; **or**

(B) vote on the proposed issuance in an election on a local public question;

apply to the issuance of bonds under this chapter.

(d) A suit to question the validity of bonds issued under this chapter or to prevent their issue and sale may not be instituted after the date set for the sale of the bonds, and the bonds are incontestable after that date.

SECTION 271. IC 36-9-11.1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 11. (a) All property of every kind, including air rights, acquired for off-street parking purposes, and all its funds and receipts, are exempt from taxation for all purposes. When any real property is acquired by the consolidated city, the county auditor shall, upon certification of that fact by the board, cancel all taxes then a lien. The certificate of the board must specifically describe the real property, including air rights, and the purpose for which acquired.

(b) A lessee of the city may not be assessed any tax upon any land, air rights, or improvements leased from the city, but the separate leasehold interest has the same status as leases on taxable real property,

notwithstanding any other law. Whenever the city sells any such property to anyone for private use, the property becomes liable for all taxes after that, as other property is so liable and is assessed, and the board shall report all such sales to the township assessor **or county assessor,** who shall cause the property to be upon the proper tax records.

SECTION 272. IC 36-10-3-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 24. (a) In order to raise money to pay for land to be acquired for any of the purposes named in this chapter, to pay for an improvement authorized by this chapter, or both, and in anticipation of the special benefit tax to be levied as provided in this chapter, the board shall cause to be issued, in the name of the unit, the bonds of the district. The bonds may not exceed in amount the total cost of all land to be acquired and all improvements described in the resolution, including all expenses necessarily incurred in connection with the proceedings, together with a sum sufficient to pay the costs of supervision and inspection during the period of construction of a work. The expenses to be covered in the bond issue include all expenses of every kind actually incurred preliminary to acquiring the land and the construction of the work, such as the cost of the necessary record, engineering expenses, publication of notices, preparation of bonds, and other necessary expenses. If more than one (1) resolution or proceeding of the board under section 23 of this chapter is confirmed whereby different parcels of land are to be acquired, or more than one (1) contract for work is let by the board at approximately the same time, the cost involved under all of the resolutions and proceedings may be included in one (1) issue of bonds.

(b) The bonds may be issued in any denomination not less than one thousand dollars ($1,000) each, in not less than five (5) nor more than forty (40) annual series. The bonds are payable one (1) series each year, beginning at a date after the receipt of taxes from a levy made for that purpose. The bonds are negotiable. The bonds may bear interest at any rate, payable semiannually. After adopting a resolution ordering bonds, the board shall certify a copy of the resolution to the unit's fiscal officer. The fiscal officer shall prepare the bonds and the unit's executive shall execute them, attested by the fiscal officer.

(c) The bonds and the interest on them are exempt from taxation as prescribed by IC 6-8-5-1. Bonds issued under this section are subject

to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

(1) the filing of a petition requesting the issuance of bonds;

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; **or**

(B) vote on the proposed issuance in an election on a local public question;

(3) the appropriation of the proceeds of the bonds and approval by the department of local government finance; and

(4) the sale of bonds at public sale for not less than their par value.

(d) The board may not have bonds of the district issued under this section that are payable by special taxation when the total issue for that purpose, including the bonds already issued or to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the district as determined under IC 36-1-15. All bonds or obligations issued in violation of this subsection are void. The bonds are not obligations or indebtedness of the unit, but constitute an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all the property of the district as prescribed by this chapter. The bonds must recite the terms upon their face, together with the purposes for which they are issued.

SECTION 273. IC 36-10-4-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 35. (a) In order to pay for:

(1) land to be acquired for any of the purposes of this chapter;

(2) an improvement authorized by this chapter; or

(3) both;

the board shall issue the bonds of the district in the name of the city in anticipation of the special benefits tax to be levied under this chapter. The amount of the bonds may not exceed the estimated cost of all land to be acquired and the estimated cost of all improvements provided in the resolution, including all expenses necessarily incurred in the proceedings and a sum sufficient to pay the estimated costs of supervision and inspection during the period of construction. Expenses include all expenses actually incurred preliminary to acquisition of the land and the construction work, such as the estimated cost of the necessary record, engineering expenses, publication of notices, preparation of bonds, and other expenses necessary to letting the contract and selling the bonds.

(b) The total amount of any benefits that have been assessed by the board and confirmed against lots and parcels of land, exclusive of improvements, lying within two thousand (2,000) feet on either side of the land to be acquired or of the improvement, however, shall be deducted from the estimated cost.

(c) If more than one (1) resolution or proceeding of the board under section 25 of this chapter is confirmed whereby different parcels of land are to be acquired or more than one (1) contract for work is let by the board at approximately the same time, the estimated cost involved under all of the resolutions and proceedings may be contained in one (1) issue of bonds.

(d) The bonds shall be issued in any denomination up to five thousand dollars ($5,000) each. The bonds are negotiable instruments and bear interest at a rate established by the board and approved by the city legislative body.

(e) After adopting a resolution ordering the bonds, the board shall certify a copy of the resolution to the fiscal officer of the city. The fiscal officer shall then prepare the bonds, which shall be executed by the city executive and attested by the fiscal officer. The bonds are exempt from taxation for all purposes and are subject to IC 6-1.1-20 concerning:

(1) the filing of a petition requesting the issuance of bonds; and

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; **or**

(B) vote on the proposed issuance in an election on a local public question.

(f) All bonds shall be sold at not less than par value plus accrued interest to date of delivery by the city fiscal officer to the highest bidder after giving notice of the sale of the bonds by publication in accordance with IC 5-3-1.

(g) The bonds are subject to approval by the city legislative body, in the manner it prescribes by ordinance or resolution.

(h) The bonds are not corporate obligations or indebtedness of the city, but are an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all property of the district. The bonds must recite these terms upon their face, together with the purposes for which they are issued.

(i) An action to question the validity of bonds of the district or to

prevent their issue may not be brought after the date set for the sale of the bonds.

(j) The board may, instead of selling the bonds in series, sell the bonds to run for a period of five (5) years from the date of issue for the purposes of this chapter at any rate of interest payable semiannually, also exempt from taxation for all purposes. The board may sell bonds in series to refund the five (5) year bonds.

SECTION 274. IC 36-10-7.5-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 22. (a) To raise money to pay for land to be acquired for any of the purposes named in this chapter or to pay for an improvement authorized by this chapter and in anticipation of the special benefit tax to be levied as provided in this chapter, the legislative body shall issue in the name of the township the bonds of the district. The bonds may not exceed in amount the total cost of all land to be acquired and all improvements described in the resolution, including all expenses necessarily incurred in connection with the proceedings, together with a sum sufficient to pay the costs of supervision and inspection during the period of construction of a work. The expenses to be covered in the bond issue include all expenses of every kind actually incurred preliminary to acquiring the land and the construction of the work, such as the cost of the necessary record, engineering expenses, publication of notices, preparation of bonds, and other necessary expenses. If more than one (1) resolution or proceeding of the legislative body under this chapter is confirmed whereby different parcels of land are to be acquired or more than one (1) contract for work is let by the executive at approximately the same time, the cost involved under all of the resolutions and proceedings may be included in one (1) issue of bonds.

(b) The bonds may be issued in any denomination not less than one thousand dollars ($1,000) each, in not less than five (5) nor more than forty (40) annual series. The bonds are payable one (1) series each year, beginning at a date after the receipt of taxes from a levy made for that purpose. The bonds are negotiable. The bonds may bear interest at any rate, payable semiannually. After adopting a resolution ordering bonds, the legislative body shall certify a copy of the resolution to the township's fiscal officer. The fiscal officer shall prepare the bonds and the executive shall execute the bonds, attested by the fiscal officer.

(c) The bonds and the interest on the bonds are exempt from taxation

as prescribed by IC 6-8-5-1. Bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

(1) the filing of a petition requesting the issuance of bonds;

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; **or**

(B) vote on the proposed issuance in an election on a local public question;

(3) the appropriation of the proceeds of the bonds with the approval of the department of local government finance; and

(4) the sale of bonds at public sale for not less than the par value of the bonds.

(d) The legislative body may not have bonds of the district issued under this section that are payable by special taxation when the total issue for that purpose, including the bonds already issued or to be issued, exceeds two percent (2%) of the total adjusted value of the taxable property in the district as determined under IC 36-1-15. All bonds or obligations issued in violation of this subsection are void. The bonds are not obligations or indebtedness of the township but constitute an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all the property of the district as prescribed by this chapter. A bond must recite the terms upon the face of the bond, together with the purposes for which the bond is issued.

SECTION 275. IC 36-10-8-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 16. (a) A capital improvement may be financed in whole or in part by the issuance of general obligation bonds of the county or, if the authority was created under IC 18-7-18 (before its repeal on February 24, 1982), also of the city, if the board determines that the estimated annual net income of the capital improvement, plus the estimated annual tax revenues to be derived from any tax revenues made available for this purpose, will not be sufficient to satisfy and pay the principal of and interest on all bonds issued under this chapter, including the bonds then proposed to be issued.

(b) If the board desires to finance a capital improvement in whole or in part as provided in this section, it shall have prepared a resolution to be adopted by the county executive authorizing the issuance of general obligation bonds, or, if the authority was created under IC 18-7-18

(before its repeal on February 24, 1982), by the fiscal body of the city authorizing the issuance of general obligation bonds. The resolution must set forth an itemization of the funds and assets received by the board, together with the board's valuation and certification of the cost. The resolution must state the date or dates on which the principal of the bonds is payable, the maximum interest rate to be paid, and the other terms upon which the bonds shall be issued. The board shall submit the proposed resolution to the proper officers, together with a certificate to the effect that the issuance of bonds in accordance with the resolution will be in compliance with this section. The certificate must also state the estimated annual net income of the capital improvement to be financed by the bonds, the estimated annual tax revenues, and the maximum amount payable in any year as principal and interest on the bonds issued under this chapter, including the bonds proposed to be issued, as the maximum interest rate set forth in the resolution. The bonds issued may mature over a period not exceeding forty (40) years from the date of issue.

(c) Upon receipt of the resolution and certificate, the proper officers may adopt them and take all action necessary to issue the bonds in accordance with the resolution. An action to contest the validity of bonds issued under this section may not be brought after the fifteenth day following the receipt of bids for the bonds.

(d) The provisions of all general statutes relating to:

(1) the filing of a petition requesting the issuance of bonds and giving notice;

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; **or**

(B) vote on the proposed issuance in an election on a local public question;

(3) the giving of notice of the determination to issue bonds;

(4) the giving of notice of a hearing on the appropriation of the proceeds of bonds;

(5) the right of taxpayers to appear and be heard on the proposed appropriation;

(6) the approval of the appropriation by the department of local government finance; and

(7) the sale of bonds at public sale;

apply to the issuance of bonds under this section.

SECTION 276. IC 36-10-9-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 15. (a) A capital improvement may be financed in whole or in part by the issuance of general obligation bonds of the county.

(b) If the board desires to finance a capital improvement in whole or in part as provided in this section, it shall have prepared a resolution to be adopted by the board of commissioners of the county authorizing the issuance of general obligation bonds. The resolution must state the date or dates on which the principal of the bonds is payable, the maximum interest rate to be paid, and the other terms upon which the bonds shall be issued. The board shall submit the proposed resolution to the board of commissioners of the county, together with a certificate to the effect that the issuance of bonds in accordance with the resolution will be in compliance with this section. The certificate must also state the estimated annual net income of the capital improvement to be financed by the bonds, the estimated annual tax revenues, and the maximum amount payable in any year as principal and interest on the bonds issued under this chapter, including the bonds proposed to be issued, at the maximum interest rate set forth in the resolution. The bonds issued may mature over a period not exceeding forty (40) years from the date of issue.

(c) Upon receipt of the resolution and certificate, the board of commissioners of the county may adopt them and take all action necessary to issue the bonds in accordance with the resolution. An action to contest the validity of bonds issued under this section may not be brought after the fifteenth day following the receipt of bids for the bonds.

(d) The provisions of all general statutes relating to:

(1) the filing of a petition requesting the issuance of bonds and giving notice;

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; **or**

(B) vote on the proposed issuance in an election on a local public question;

(3) the giving of notice of the determination to issue bonds;

(4) the giving of notice of a hearing on the appropriation of the proceeds of bonds;

(5) the right of taxpayers to appear and be heard on the proposed

appropriation;

(6) the approval of the appropriation by the department of local government finance; and

(7) the sale of bonds at public sale for not less than par value;

are applicable to the issuance of bonds under this section.

SECTION 277. IC 36-12-3-12, AS ADDED BY P.L.1-2005, SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12. (a) The library board shall determine the rate of taxation for the library district that is necessary for the proper operation of the library. The library board shall certify the rate to the county auditor. The county auditor shall certify the tax rate to the county tax adjustment board in the manner provided in IC 6-1.1. An additional rate may be levied under section 10(4) of this chapter.

(b) If the library board fails to

~~(1) give:~~

~~(A) a first published notice to the board's taxpayers of the board's proposed budget and tax levy for the ensuing year at least ten (10) days before the public hearing required under IC 6-1.1-17-3; and~~

~~(B) a second published notice to the board's taxpayers of the board's proposed budget and tax levy for the ensuing year at least three (3) days before the public hearing required under IC 6-1.1-17-3; or (2)~~

finally adopt the budget and fix the tax levy not later than September 20, the last preceding annual appropriation made for the public library is renewed for the ensuing year, and the last preceding annual tax levy is continued. Under this subsection, the treasurer of the library board shall report the continued tax levy to the county auditor not later than September 20.

SECTION 278. THE FOLLOWING ARE REPEALED [EFFECTIVE UPON PASSAGE]: IC 6-1.1-20.6-1; IC 6-1.1-20.6-4; IC 6-1.1-20.6-5; IC 6-1.1-20.6-6.

SECTION 279. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2007]: IC 12-13-8; IC 12-13-9; IC 12-19-5; IC 12-19-7-1.5; IC 12-19-7-6; IC 12-19-7-7; IC 12-19-7-9; IC 12-19-7-10; IC 12-19-7-11; IC 12-19-7-11.1; IC 12-19-7-15; IC 12-19-7-16; IC 12-19-7-17; IC 12-19-7-18; IC 12-19-7-19; IC 12-19-7-20; IC 12-19-7-21; IC 12-19-7-22; IC 12-19-7-23;

IC 12-19-7-24; IC 12-19-7-25; IC 12-19-7-26; IC 12-19-7-27; IC 12-19-7-28; IC 12-19-7-29; IC 12-19-7-30; IC 12-19-7-31; IC 12-19-7-32; IC 12-19-7-33; IC 12-19-7.5-2; IC 12-19-7.5-5; IC 12-19-7.5-6; IC 12-19-7.5-8; IC 12-19-7.5-9; IC 12-19-7.5-11; IC 12-19-7.5-12; IC 12-19-7.5-13; IC 12-19-7.5-14; IC 12-19-7.5-15; IC 12-19-7.5-16; IC 12-19-7.5-17; IC 12-19-7.5-18; IC 12-19-7.5-19; IC 12-19-7.5-20; IC 12-19-7.5-21; IC 12-19-7.5-22; IC 12-19-7.5-23; IC 12-19-7.5-24; IC 12-19-7.5-25; IC 12-19-7.5-26; IC 12-19-7.5-27; IC 12-19-7.5-28; IC 12-19-7.5-29; IC 12-19-7.5-30; IC 12-19-7.5-31; IC 12-19-7.5-32; IC 12-19-7.5-33; IC 15-5-9; IC 15-5-10; IC 16-35-3; IC 16-35-4.

SECTION 280. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2008]: IC 6-1.1-1-5.5; IC 6-1.1-1-22; IC 6-1.1-1-22.7; IC 6-1.1-35.2-1.

SECTION 281. [EFFECTIVE UPON PASSAGE] **(a) Notwithstanding IC 6-1.1-20.6-6, as in effect January 1, 2006, a county may adopt an ordinance under this SECTION to apply the credit authorized by IC 6-1.1-20.6, as in effect January 1, 2006, to property taxes first due and payable in 2006.**

(b) If a county has not issued property tax statements under IC 6-1.1-22-8 to the persons liable for property taxes in the county for property taxes first due and payable in 2006, the county fiscal body may adopt an ordinance to apply the credit under IC 6-1.1-20.6, as in effect January 1, 2006, to the property taxes first due and payable in 2006. A county fiscal body may not adopt an ordinance under this subsection after statements are issued under IC 6-1.1-22-8 for the property taxes first due and payable in 2006.

(c) Except as provided in subsection (a), IC 6-1.1-20.6, as in effect January 1, 2006, applies to a credit authorized by an ordinance adopted under this SECTION.

(d) This SECTION expires January 1, 2007.

SECTION 282. [EFFECTIVE UPON PASSAGE] **IC 6-1.1-20.6-7, IC 6-1.1-20.6-8, and IC 6-1.1-20.6-9, all as amended by this act, apply only to property taxes first due and payable after December 31, 2006.**

SECTION 283. [EFFECTIVE JANUARY 1, 2007] **(a) Notwithstanding the repeal of IC 15-5-9-10 by this act, if any**

money remains in the state dog account of the state general fund on December 31, 2006, the auditor of state shall, on January 1, 2007, abolish the account and distribute the money as follows:

(1) Fifty percent (50%) to Purdue University for the School of Veterinary Science and Medicine, to be used solely for canine disease research.

(2) Fifty percent (50%) to the counties identified under subsection (b).

(b) Money to be distributed under subsection (a)(2) shall be divided among the counties that paid to the auditor of state, under IC 15-5-9-10(j) (before its repeal by this act), the surplus money remaining in the counties' county dog funds on May 1, 2006.

(c) Each county's share of the total amount distributed under this SECTION must be proportional to the county's share of the total amount paid to the auditor of state in 2006 under IC 15-5-9-10(j) (before its repeal by this act).

(d) Notwithstanding the repeal of IC 15-5-9-10 by this act, if any money remains in a county dog fund on January 31, 2007, the county auditor shall, on February 1, 2007, abolish the fund and distribute the money to the township trustees of the townships located in the county. An equal share of the money shall be distributed to each township trustee.

(e) A township trustee who receives a distribution under this SECTION shall deposit the distribution in the township dog fund.

(f) Notwithstanding the repeal of IC 15-5-9-8 by this act, each township dog fund is abolished and the money distributed as follows:

(1) to pay claims filed under IC 15-5-9-9.1 (before its repeal by this act);

(2) to pay fees and charges under IC 15-5-9-10 (before its repeal by this act);

(3) to the humane society designated by the county legislative body under IC 15-5-9-8(d) (before its repeal by this act) to receive a part of each dog tax payment; or

(4) if the county legislative body did not designate a humane society under IC 15-5-9-8(d) (before its repeal by this act), to the township general fund.

(g) This SECTION expires January 1, 2008.

SECTION 284. [EFFECTIVE JANUARY 1, 2007] **(a) Any contract for services described in IC 31-33-1.5-7, as amended by this act, that was entered into before January 1, 2007, by a county in compliance with the law governing the county and with the approval of the department of child services shall be treated after December 31, 2006, as a contract of the department of child services.**

(b) Any property related to a service described in IC 31-33-1.5-7, as amended by this act, that is transferred to the state by this act, shall be treated after December 31, 2006, as the property of the department of child services.

(c) On January 1, 2007, the balance of each county's county family and children trust clearance fund becomes part of the family and children trust clearance fund established under IC 12-19-1-16, as amended by this act. Any reference in a county or a county office in a document related to money in a county family and children trust fund shall be treated after December 31, 2006, as a reference to the department of child services. Any reference in a document related to a county family and children trust fund shall be treated after December 31, 2006, as a reference to the family and children trust clearance fund established by IC 12-19-1-16, as amended by this act. Not later than January 10, 2007, the county auditor shall transfer the balance of the county's county family and children trust clearance fund to the department of child services for deposit in the family and children trust clearance fund established under IC 12-19-1-16, as amended by this act. The money transferred under this subsection is subject to the obligations of the county family and children trust clearance fund from which the money is transferred and the restrictions on any gifts or grants that apply to the money being transferred.

(d) The requirement that predispositional reports and modification reports under IC 31, as amended by this act, be prepared only by a department of child services caseworker does not apply to predispositional reports and modification reports ordered by a juvenile court before July 1, 2006, even if services are to be provided after June 30, 2006. However, after June 30, 2006, any modification report in the case must be prepared as required under IC 31, as amended by this act, and is subject to the

requirements concerning the charge back of expenditures to a county.

(e) The department of child services may adopt temporary rules in the manner provided for the adoption of emergency rules under IC 4-22-2-37.1 to implement this SECTION. A temporary rule adopted under this subsection takes effect in the same manner as an emergency rule adopted under IC 4-22-2-37.1. Notwithstanding IC 4-22-2-37.1, a temporary rule adopted under this subsection expires on the earliest of the following:

(1) The date specified in the temporary rule.

(2) The date that another temporary rule adopted under this subsection amends, repeals, or superseded the previously adopted temporary rule.

(3) The date that a permanent rule adopted under IC 4-22-2 amends, repeals, or superseded the previously adopted temporary rule.

(4) January 1, 2008.

(f) Any balance remaining in:

(1) the children with special health care needs state fund; and

(2) the state medical assistance to wards fund;

on December 31, 2006, is transferred to the state child welfare fund established by this act.

(g) Any balance remaining in:

(1) a county psychiatric residential treatment services fund;

(2) a county medical assistance to wards fund; or

(3) a children with special health care needs county fund;

on December 31, 2006, is transferred to the county's child welfare fund established under IC 12-19-7-3, as amended by this act.

SECTION 285. [EFFECTIVE JANUARY 1, 2008] **(a) Each township trustee assessor shall organize the records of the township trustee assessor's office relating to the assessment of tangible property in a manner prescribed by the department of local government finance and transfer the records to the county assessor as directed by the department of local government finance. The department of local government finance shall determine a procedure and schedule for the transfer of each of the township trustee assessor's office records and operations to the county assessor before January 1, 2008. Each township trustee assessor of**

a county and the county assessor shall assist each other and coordinate their efforts to ensure an orderly transfer of all township trustee assessor records to the county assessor and to provide for an uninterrupted and professional transition of the property assessment functions from the township trustee assessor to the county assessor consistent with the directions of the department of local government finance and this act.

(b) This SECTION expires January 1, 2008.

SECTION 286. [EFFECTIVE JANUARY 1, 2008] **(a) This act does not affect any assessment, assessment appeal, or other official action of a township trustee assessor made before January 1, 2008. Any assessment, assessment appeal, or other official action of a township trustee assessor made within the scope of the township trustee assessor's official duties under IC 6-1.1 or IC 36-6-5 before January 1, 2008, is considered as having been made by the county assessor.**

(b) This act does not affect any pending action against, or the rights of any party that may possess a legal claim against, a township trustee assessor that is not described in subsection (a).

(c) This SECTION expires January 1, 2008.

SECTION 287. [EFFECTIVE JANUARY 1, 2008] **(a) The legislative services agency shall prepare legislation for introduction in the 2008 regular session of the general assembly to correct statutes affected by this act.**

(b) This SECTION expires July 1, 2008.

SECTION 288. [EFFECTIVE UPON PASSAGE] **(a) The definitions in IC 6-1.1-1, IC 6-1.1-20.9, and IC 6-1.1-21 apply throughout this SECTION.**

(b) A taxpayer that is eligible for a homestead credit under IC 6-1.1-20.9 in 2006 is eligible for an additional child welfare relief credit under this SECTION in 2006. The amount of the additional child welfare relief credit to which the taxpayer is entitled equals the product of:

(1) twelve percent (12%); multiplied by

(2) the amount of the individual's property tax liability, as that term is defined in IC 6-1.1-21-5, which is:

(A) attributable to the homestead during the particular calendar year; and

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

(c) A county auditor:

(1) may apply the entire amount of the additional child welfare relief credit granted by this SECTION equally to all installments of property taxes first due from the taxpayer in 2006; or

(2) if application of the credit to the first installment would delay the delivery of tax statements more than thirty (30) days after the date that the tax statements would otherwise be mailed or transmitted, may issue revised tax statements and apply the entire credit to the property tax due in a later installment.

IC 6-1.1-22.5-6 does not apply to a delay in the delivery of an abstract described in subdivision (2). The department of local government finance may prescribe procedures to apply the additional child welfare relief credit to tax statements. A county auditor shall comply with the procedures prescribed under this subsection.

(d) The property tax replacement fund board shall provide for an additional distribution to taxing units from the property tax replacement fund to replace revenue lost to a county as the result of the granting of additional child welfare relief credits under this SECTION. The distribution shall be made on the schedule determined by the property tax replacement fund board. To the extent possible, the property tax replacement fund board shall make distributions under this subsection at the same time distributions of homestead credits and other property tax replacement credits are made. A distribution under this subsection is not subject to any law limiting the maximum amount that may be distributed under IC 6-1.1-21. The amount distributed under this subsection is not included in the amount used to determine the minimum amount that must be distributed or maximum distribution that may not be exceeded under IC 6-1.1-21.

(e) This subsection applies to a taxpayer in an allocation area that would be eligible for an additional credit under any of the following:

(1) IC 8-22-3.5-10.

(2) IC 36-7-14-39.5.

(3) IC 36-7-15.1-26.5.

(4) IC 36-7-15.1-35.

(5) IC 36-7-15.1-56.

(6) IC 36-7-30-27.

(7) IC 36-7-30.5-32.

(8) IC 36-7-32-18.

As used in this subsection, "designating body" refers to the governing body permitted to reduce an additional credit otherwise granted in an allocation area to which a provision described in subdivision (1) through (8) applies. Subject to this subsection, a taxpayer that is entitled to an additional credit on the taxpayer's homestead in an allocation area is entitled to a supplemental credit under this subsection. The amount of the supplemental credit is equal to the amount necessary to give the taxpayer the same total credit that the taxpayer would have received if the taxpayer's tangible property were not located in an allocation area. The supplemental credit reduces the amount of proceeds allocated to the district where the allocation area is located and paid into an allocation fund. A designating body may reduce the amount of the supplemental credits granted in an allocation area in the same manner and for the same reasons that the designating body is permitted to reduce an additional credit in the allocation area. The department of local government finance may prescribe procedures to use to apply a supplemental credit to tangible property in an allocation area. A county auditor shall comply with the procedures prescribed under this subsection.

(f) This SECTION expires January 1, 2007.

SECTION 289. [EFFECTIVE UPON PASSAGE] **(a) The following, both as added by this act, apply only to property taxes first due and payable after December 31, 2006:**

(1) IC 6-1.1-17-8.5.

(2) IC 6-1.1-22-2.5.

(b) The following, all as amended by this act, apply only to property taxes first due and payable after December 31, 2006:

(1) IC 6-1.1-1-3.

(2) IC 6-1.1-1-20.

(3) IC 6-1.1-15-10.

(4) IC 6-1.1-17-0.5.
(5) IC 6-1.1-17-1.
(6) IC 6-1.1-17-3.
(7) IC 6-1.1-17-9.
(8) IC 6-1.1-17-16.
(9) IC 6-1.1-18.5-1.
(10) IC 6-1.1-22-4.

SECTION 290. [EFFECTIVE UPON PASSAGE] **(a) The definitions in IC 6-1.1-1 apply throughout this SECTION.**

(b) IC 6-1.1-46, as added by this act, applies only to ad valorem property taxes first due and payable for assessment dates after February 28, 2005.

SECTION 291. **An emergency is declared for this act.**

Renumber all SECTIONS consecutively.

(Reference is to HB 1001 as introduced.)

and when so amended that said bill do pass.

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Representative Espich