

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Tax and Fiscal Policy, to which was referred House Bill No. 1001, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Delete everything after the enacting clause and insert the following:
- 2 SECTION 1. IC 3-7-15-2, AS AMENDED BY P.L.161-2007,
- 3 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 UPON PASSAGE]: Sec. 2. The general assembly finds that the
- 5 following offices in Indiana provide public assistance within the scope
- 6 of NVRA:
- 7 (1) Each ~~county local~~ office ~~of family and children~~ established
- 8 under ~~IC 12-19-1~~ IC 12-19-1-1 that administers:
- 9 (A) the Temporary Assistance for Needy Families program
- 10 (TANF) under IC 12-14; or
- 11 (B) the Medicaid program under IC 12-15.
- 12 (2) Each office of the division of family resources that administers
- 13 the food stamp program under federal law.
- 14 (3) Each office of the state department of health that administers
- 15 the Special Supplemental Nutrition Program for the Women,
- 16 Infants and Children Program (WIC) under IC 16-35-1.5.
- 17 SECTION 2. IC 3-8-1-23, AS AMENDED BY P.L.219-2007,
- 18 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 19 JULY 1, 2008]: Sec. 23. (a) Subject to subsection (b), a candidate for
- 20 the office of county assessor must:
- 21 (1) have resided in the county for at least one (1) year before the

1 election, as provided in Article 6, Section 4 of the Constitution of
2 the State of Indiana; and

3 (2) own real property located in the county upon taking office.

4 (b) A candidate for the office of county assessor who runs in an
5 election after June 30, 2008, must have attained the certification of a
6 level two assessor-appraiser under IC 6-1.1-35.5.

7 **(c) A candidate for the office of county assessor who runs in an**
8 **election after January 1, 2010, must have attained the certification**
9 **of a level three assessor-appraiser under IC 6-1.1-35.5.**

10 SECTION 3. IC 3-8-1-23.6 IS ADDED TO THE INDIANA CODE
11 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
12 1, 2008]: **Sec. 23.6. (a) A person who runs in an election after June**
13 **30, 2008, for the office of township assessor under IC 36-6-5-1 must**
14 **have attained the certification of a level two assessor-appraiser**
15 **under IC 6-1.1-35.5 before taking office.**

16 **(b) A person who runs in an election after January 1, 2010, for**
17 **the office of township assessor under IC 36-6-5-1 must have**
18 **attained the certification of a level three assessor-appraiser under**
19 **IC 6-1.1-35.5 before taking office.**

20 SECTION 4. IC 4-10-13-2 IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 2. (a) The auditor of**
22 **state shall prepare and publish each year the following financial**
23 **reports:**

24 (1) A report showing receipts by source of revenue and by type of
25 fund disbursements as they relate to each agency, department, and
26 fund of the state government. This report shall include a recital of
27 disbursements made by the following functions of state
28 government:

- 29 (A) Education.
- 30 (B) Welfare.
- 31 (C) Highway.
- 32 (D) Health.
- 33 (E) Natural resources.
- 34 (F) Public safety.
- 35 (G) General governmental.
- 36 (H) Hospital and state institutions.
- 37 (I) Correction, parole, and probation.

38 (2) A report containing the following property tax data by
39 counties:

- 40 (A) A report showing:
 - 41 (i) the total amount of tax delinquencies;
 - 42 (ii) the total amount of the administrative costs of the offices

1 of township ~~and assessors (if any)~~, county assessors, the
 2 offices of county auditors, and the offices of county
 3 treasurers; and

4 (iii) the total amount of other local taxes collected.

5 (B) An abstract of taxable real and personal property, which
 6 must include a recital of the number and the total amount of
 7 tax exemptions, including mortgage exemptions, veterans'
 8 exemptions, exemptions granted to blind persons, exemptions
 9 granted to persons over sixty-five (65) years of age, and any
 10 and all other exemptions granted to any person under ~~the~~
 11 ~~provisions of~~ the Constitution and the laws of the state.

12 (b) The reports described in this section shall be made available for
 13 inspection as soon as they are prepared and shall be published in the
 14 manner provided in section 7 of this chapter by the auditor of state not
 15 later than December 31 following the end of each fiscal year.

16 SECTION 5. IC 4-10-18-1 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. As used in this
 18 chapter:

19 "Adjusted personal income" for a particular calendar year means the
 20 adjusted state personal income for that year as determined under
 21 section 3(b) of this chapter.

22 "Annual growth rate" for a particular calendar year means the
 23 percentage change in adjusted personal income for the particular
 24 calendar year as determined under section 3(c) of this chapter.

25 "Budget director" refers to the director of the budget agency
 26 established under IC 4-12-1.

27 "Costs" means the cost of construction, equipment, land, property
 28 rights (including leasehold interests), easements, franchises, leases,
 29 financing charges, interest costs during and for a reasonable period
 30 after construction, architectural, engineering, legal, and other
 31 consulting or advisory services, plans, specifications, surveys, cost
 32 estimates, and other costs or expenses necessary or incident to the
 33 acquisition, development, construction, financing, and operating of an
 34 economic growth initiative.

35 "Current calendar year" means a calendar year during which a
 36 transfer to or from the fund is initially determined under sections 4 and
 37 5 of this chapter.

38 "Economic growth initiative" means:

39 (1) the construction, extension, or completion of sewerlines,
 40 waterlines, streets, sidewalks, bridges, roads, highways, public
 41 ways, and any other infrastructure improvements;

42 (2) the leasing or purchase of land and any site improvements to

- 1 land;
- 2 (3) the construction, leasing, or purchase of buildings or other
- 3 structures;
- 4 (4) the rehabilitation, renovation, or enlargement of buildings or
- 5 other structures;
- 6 (5) the leasing or purchase of machinery, equipment, or
- 7 furnishings; or
- 8 (6) the training or retraining of employees whose jobs will be
- 9 created or retained as a result of the initiative.

10 "Fund" means the counter-cyclical revenue and economic

11 stabilization fund established under this chapter.

12 "General fund revenue" means all general purpose tax revenue and

13 other unrestricted general purpose revenue of the state, including

14 federal revenue sharing monies, credited to the state general fund and

15 from which appropriations may be made. ~~The term "general fund~~

16 ~~revenue" does not include revenue held in the reserve for tuition~~

17 ~~support under IC 4-12-1-12.~~

18 "Implicit price deflator for the gross national product" means the

19 implicit price deflator for the gross national product, or its closest

20 equivalent, which is available from the United States Bureau of

21 Economic Analysis.

22 "Political subdivision" has the meaning set forth in IC 36-1-2-13.

23 "Qualified economic growth initiative" means an economic growth

24 initiative that is:

- 25 (1) proposed by or on behalf of a political subdivision to promote
- 26 economic growth, including the creation or retention of jobs or
- 27 the infrastructure necessary to create or retain jobs;
- 28 (2) supported by a financing plan by or on behalf of the political
- 29 subdivision in an amount at least equal to the proposed amount of
- 30 the grant under section 15 of this chapter; and
- 31 (3) estimated to cost not less than twelve million five hundred
- 32 thousand dollars (\$12,500,000).

33 "State personal income" means state personal income as that term

34 is defined by the Bureau of Economic Analysis of the United States

35 Department of Commerce or its successor agency.

36 "Total state general fund revenue" for a particular state fiscal year

37 means the amount of that revenue for the particular state fiscal year as

38 finally determined by the auditor of state.

39 "Transfer payments" means transfer payments as that term is

40 defined by the Bureau of Economic Analysis of the United States

41 Department of Commerce or its successor agency.

42 SECTION 6. IC 4-10-18-8 IS AMENDED TO READ AS

1 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 8. (a) Except as
 2 provided in subsection (b), if the balance, at the end of a state fiscal
 3 year, in the fund exceeds seven percent (7%) of the total state general
 4 fund revenues for that state fiscal year, the excess is appropriated from
 5 the fund to the **property tax replacement state general** fund.
 6 ~~established under IC 6-1-1-21.~~ The auditor of state and the treasurer of
 7 state shall transfer the amount so appropriated from the fund to the
 8 **property tax replacement state general** fund during the immediately
 9 following state fiscal year.

10 (b) If an appropriation is made out of the fund under section 4 of
 11 this chapter for a state fiscal year during which a transfer is to be made
 12 from the fund to the **property tax replacement state general** fund, the
 13 amount of the appropriation made under subsection (a) shall be
 14 reduced by the amount of the appropriation made under section 4 of
 15 this chapter. However, the amount of the appropriation made under
 16 subsection (a) may not be reduced to less than zero (0).

17 SECTION 7. IC 4-10-21-2 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. (a) For the state
 19 fiscal year beginning July 1, 2003, and ending June 30, 2004, the state
 20 spending cap is equal to the result determined under STEP THREE of
 21 the following formula:

22 STEP ONE: Determine the sum of the total of the appropriations
 23 made from the state general fund and the property tax
 24 replacement fund (including continuing appropriations) for the
 25 state fiscal year beginning July 1, 2002, and ending June 30,
 26 2003.

27 STEP TWO: Subtract from the STEP ONE result two hundred
 28 forty-three million dollars (\$243,000,000), which is the amount
 29 of certain reversions made by state agencies.

30 STEP THREE: Multiply the STEP TWO result by one and
 31 thirty-five thousandths (1.035).

32 (b) For the state fiscal year beginning July 1, 2004, and ending June
 33 30, 2005, the state spending cap is equal to the product of the result
 34 determined under subsection (a) multiplied by one and thirty-five
 35 thousandths (1.035).

36 (c) The state spending cap for a state fiscal year beginning after
 37 June 30, 2005, is equal to the product of the state spending growth
 38 quotient for the state fiscal year determined under section 3 of this
 39 chapter multiplied by the state spending cap for the immediately
 40 preceding state fiscal year.

41 (d) The state spending cap imposed under this section is increased
 42 in the initial state fiscal year in which the state receives additional

1 revenue for deposit in the state general fund ~~or property tax~~
 2 ~~replacement fund~~ as a result of the enactment of a law that:

- 3 (1) establishes a new tax or fee after June 30, 2002;
- 4 (2) increases the rate of a previously enacted tax or fee after June
 5 30, 2002; or
- 6 (3) reduces or eliminates an exemption, a deduction, or a credit
 7 against a previously enacted tax or fee after June 30, 2002.

8 The amount of the increase is equal to the average revenue that the
 9 budget agency estimates will be raised by the legislative action in the
 10 initial two (2) full state fiscal years in which the legislative change is
 11 in effect.

12 (e) The state spending cap imposed under this section is decreased
 13 in the initial state fiscal year in which the state is affected by a decrease
 14 in revenue deposited in the state general fund ~~or property tax~~
 15 ~~replacement fund~~ as the result of the enactment of a law that:

- 16 (1) eliminates a tax or fee after June 30, 2002;
- 17 (2) eliminates any part of a tax rate or fee after June 30, 2002; or
- 18 (3) establishes or increases an exemption, a deduction, or a credit
 19 against a tax or fee after June 30, 2002.

20 The amount of the decrease is equal to the average revenue that the
 21 budget agency estimates will be lost as a result of the legislative action
 22 in the initial two (2) full state fiscal years in which the legislative
 23 change is in effect.

24 SECTION 8. IC 4-10-21-5 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) The
 26 maximum total amount that may be expended in a state fiscal year from
 27 the state general fund ~~the property tax replacement fund~~; and the
 28 counter-cyclical revenue and economic stabilization fund is the least of
 29 the following:

- 30 (1) Subject to sections 6 and 7 of this chapter, the state spending
 31 cap for the state fiscal year.
- 32 (2) The amount appropriated by the general assembly from the
 33 state general fund ~~the property tax replacement fund~~; and the
 34 counter-cyclical revenue and economic stabilization fund.
- 35 (3) The amount of money available in the state general fund ~~the~~
 36 ~~property tax replacement fund~~; and the counter-cyclical revenue
 37 and economic stabilization fund to pay expenditures.

38 (b) Subject to sections 6 and 7 of this chapter, if the state spending
 39 cap for the state fiscal year is less than the amount appropriated by the
 40 general assembly in the state fiscal year from the state general fund ~~the~~
 41 ~~property tax replacement fund~~; and the counter-cyclical revenue and
 42 economic stabilization fund, the budget agency shall reduce the

1 amounts available for expenditure from the state general fund ~~the~~
 2 ~~property tax replacement fund~~; and the counter-cyclical revenue and
 3 economic stabilization fund in the state fiscal year by using the
 4 procedures in IC 4-13-2-18.

5 SECTION 9. IC 4-10-21-6 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 6. The following
 7 expenditures that would otherwise be subject to this chapter shall be
 8 excluded from all computations and determinations related to a state
 9 spending cap:

10 (1) Expenditures derived from money deposited in the state
 11 general fund ~~the property tax replacement fund~~; and the
 12 counter-cyclical revenue and economic stabilization fund from
 13 any of the following:

- 14 (A) Gifts.
- 15 (B) Federal funds.
- 16 (C) Dedicated funds.
- 17 (D) Intergovernmental transfers.
- 18 (E) Damage awards.
- 19 (F) Property sales.

20 (2) Expenditures for any of the following:

- 21 (A) Transfers of money among the state general fund ~~the~~
 22 ~~property tax replacement fund~~; and the counter-cyclical
 23 revenue and economic stabilization fund.
- 24 (B) Reserve fund deposits.
- 25 (C) Refunds of intergovernmental transfers.
- 26 (D) Payment of judgments against the state and settlement
 27 payments made to avoid a judgment against the state, other
 28 than a judgment or settlement payment for failure to pay a
 29 contractual obligation or a personnel expenditure.
- 30 (E) Distributions or allocations of state tax revenues to a unit
 31 of local government under IC 36-7-13, IC 36-7-26, IC 36-7-27,
 32 IC 36-7-31, or IC 36-7-31.3.
- 33 (F) Motor vehicle excise tax replacement payments that are
 34 derived from amounts transferred to the state general fund
 35 from the lottery and gaming surplus account of the build
 36 Indiana fund.
- 37 (G) Distributions of state tax revenues collected under IC 7.1
 38 that are payable to cities and towns.

39 SECTION 10. IC 4-12-1-12, AS AMENDED BY P.L.2-2006,
 40 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2008]: Sec. 12. (a) Within forty-five (45) days following the
 42 adjournment of the regular session of the general assembly, the budget

1 agency shall examine the acts of such general assembly and, with the
2 aid of its own records and those of the budget committee, shall prepare
3 a complete list of all appropriations made by law for the budget period
4 beginning on July 1 following such regular session, or so made for such
5 other period as is provided in the appropriation. While such list is being
6 made by it the budget agency shall review and analyze the fiscal status
7 and affairs of the state as affected by such appropriations. A written
8 report thereof shall be made and signed by the budget director and shall
9 be transmitted to the governor and the auditor of state. The report shall
10 be transmitted in an electronic format under IC 5-14-6 to the general
11 assembly.

12 (b) Not later than the first day of June of each calendar year, the
13 budget agency shall prepare a list of all appropriations made by law for
14 expenditure or encumbrance during the fiscal year beginning on the
15 first day of July of that calendar year. ~~At the same time, the budget~~
16 ~~agency shall establish the amount of a reserve from the general fund~~
17 ~~surplus which such agency estimates will be necessary and required to~~
18 ~~provide funds with which to pay the distribution to local school units~~
19 ~~required by law to be made so early in such fiscal year that revenues~~
20 ~~received in such year prior to the distribution will not be sufficient to~~
21 ~~cover such distribution. Not later than the first day of June following~~
22 ~~adjournment of such regular session of the general assembly the~~
23 ~~amounts of the appropriations for such fiscal year, and the amount of~~
24 ~~such reserve, shall be written and transmitted formally to the auditor of~~
25 ~~state who then shall establish the amounts of such appropriations, and~~
26 ~~the amount of such reserve, in the records of the auditor's office as~~
27 ~~fixed in such communication of the budget agency.~~

28 (c) Within sixty (60) days following the adjournment of any special
29 session of the general assembly, or within such shorter period as the
30 circumstances may require, the budget agency shall prepare for and
31 transmit to the governor and members of the general assembly and the
32 auditor of state, like information **and a** list of sums appropriated, ~~and~~
33 ~~if required, an estimate for a reserve from the general fund surplus for~~
34 ~~distribution to local school units, all as is done upon the adjournment~~
35 ~~of a regular session, pursuant to subsections (a) and (b) of this section~~
36 ~~to the extent the same are applicable. The budget agency shall transmit~~
37 ~~any information under this subsection to the general assembly in an~~
38 ~~electronic format under IC 5-14-6.~~

39 (d) The budget agency shall administer the allotment system
40 provided in IC 4-13-2-18.

41 (e) The budget agency may transfer, assign, and reassign any
42 appropriation or appropriations, or parts of them, excepting those

1 appropriations made to the Indiana state teacher's retirement fund
 2 established by IC 5-10.4-2, made for one specific use or purpose to
 3 another use or purpose of the agency of state to which the appropriation
 4 is made, but only when the uses and purposes to which the funds
 5 transferred, assigned and reassigned are uses and purposes the agency
 6 of state is by law required or authorized to perform. No transfer may be
 7 made as in this subsection authorized unless upon the request of and
 8 with the consent of the agency of state whose appropriations are
 9 involved. Except to the extent otherwise specifically provided, every
 10 appropriation made and hereafter made and provided, for any specific
 11 use or purpose of an agency of the state is and shall be construed to be
 12 an appropriation to the agency, for all other necessary and lawful uses
 13 and purposes of the agency, subject to the aforesaid request and
 14 consent of the agency and concurrence of the budget agency.

15 (f) One (1) or more emergency or contingency appropriations for
 16 each fiscal year or for the budget period may be made to the budget
 17 agency. Such appropriations shall be in amounts definitely fixed by
 18 law, or ascertainable or determinable according to a formula, or
 19 according to appropriate provisions of law taking into account the
 20 revenues and income of the agency of state. No transfer shall be made
 21 from any such appropriation to the regular appropriation of an agency
 22 of the state except upon an order of the budget agency made pursuant
 23 to the authority vested in it hereby or otherwise vested in it by law.

24 SECTION 11. IC 4-12-1-15.7 IS ADDED TO THE INDIANA
 25 CODE AS A NEW SECTION TO READ AS FOLLOWS
 26 [EFFECTIVE JUNE 1, 2008]: **Sec. 15.7. (a) As used in this section,**
 27 **"fund" refers to the state tuition reserve fund.**

28 **(b) The state tuition reserve fund is established for the following**
 29 **purposes:**

30 **(1) To fund a tuition support distribution under IC 20-43**
 31 **whenever the budget director determines that state general**
 32 **fund cash balances are insufficient to cover the distribution.**

33 **(2) To meet revenue shortfalls whenever the budget director,**
 34 **after review by the budget committee, determines that state**
 35 **tax revenues available for deposit in the state general fund**
 36 **will be insufficient to fully fund tuition support distributions**
 37 **under IC 20-43 in any particular state fiscal year.**

38 **(c) The fund consists of the following:**

39 **(1) Money appropriated to the fund by the general assembly.**

40 **(2) Money transferred to the fund under any law.**

41 **(3) Interest earned on the balance of the fund.**

42 **(d) The treasurer of state shall invest the money in the fund not**

1 **currently needed to meet the obligations of the fund in the same**
 2 **manner as other public money may be invested. Interest that**
 3 **accrues from these investments shall be deposited in the fund.**

4 **(e) Money in the fund at the end of a state fiscal year does not**
 5 **revert for any other purpose of the state general fund.**

6 **(f) The budget agency shall administer the fund. Whenever the**
 7 **budget director makes a determination under subsection (b)(1) or**
 8 **(b)(2), the budget agency shall notify the auditor of state of the**
 9 **amount from the fund to be used for state tuition support**
 10 **distributions. The auditor of state shall transfer the amount from**
 11 **the fund to the state general fund. The amount transferred may be**
 12 **used only for the purposes of making state tuition support**
 13 **distributions under IC 20-43. If the amount is transferred under**
 14 **subsection (b)(1), the amount shall be repaid to the fund from the**
 15 **state general fund before the end of the state fiscal year in which**
 16 **the transfer is made.**

17 SECTION 12. IC 4-24-7-4, AS AMENDED BY P.L.246-2005,
 18 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 JANUARY 1, 2009]: Sec. 4. ~~(a)~~ Accounts of state institutions
 20 described in ~~sections 1 and 3~~ of this chapter shall be paid as follows:

21 (1) All such accounts shall be signed by the superintendent of
 22 such institution, attested to by the seal of the institution, and
 23 forwarded to the auditor of the county for payment from which
 24 county the inmate or patient was admitted.

25 (2) All accounts accruing between January 1 and June 30 of each
 26 year shall be forwarded to the county auditor on or before October
 27 1 of such year.

28 (3) All accounts accruing between July 1 and December 31 of
 29 each year shall be forwarded to the county auditor on or before
 30 April 1 of the following year.

31 (4) Upon receipt of any such account, the county auditor shall
 32 draw a warrant on the treasurer of the county for the payment of
 33 the account, and the same shall be paid out of the funds of the
 34 county appropriated therefor.

35 (5) The county council of each county of the state shall annually
 36 appropriate sufficient funds to pay such accounts.

37 ~~(b) All accounts of state institutions described in section 2 of this~~
 38 ~~chapter shall be paid as follows:~~

39 ~~(1) All such accounts shall be signed by the superintendent of the~~
 40 ~~institution; attested to by the seal of the institution; and forwarded~~
 41 ~~to the auditor of the county for payment from the county from~~
 42 ~~which the inmate was admitted.~~

- 1 (2) All accounts accruing after December 31 and before April 1
 2 of each year shall be forwarded to the county auditor on or before
 3 May 15 of that year.
- 4 (3) All accounts accruing after March 31 and before July 1 of
 5 each year shall be forwarded to the county auditor on or before
 6 August 15 of that year.
- 7 (4) All accounts accruing after June 30 and before October 1 of
 8 each year shall be forwarded to the county auditor on or before
 9 November 15 of that year.
- 10 (5) All accounts accruing after September 30 and before January
 11 1 of each year, and any reconciliations for previous periods, shall
 12 be forwarded to the county auditor on or before March 15 of the
 13 following year.
- 14 (6) Upon receipt of an account, the county auditor shall draw a
 15 warrant on the treasurer of the county for the payment of the
 16 account, which shall be paid from the funds of the county that
 17 were appropriated for the payment.
- 18 (7) The county council of each county shall annually appropriate
 19 sufficient funds to pay these accounts.

20 If a county has not paid an account within six (6) months after the
 21 account is forwarded under this subsection, the auditor of state shall,
 22 notwithstanding anything to the contrary in IC 6-1.1-21, reduce the
 23 next distribution of property tax replacement credits under IC 6-1.1-21
 24 to the county and withhold the amount owed on the account. The
 25 auditor of state shall credit the withheld amount to the state general
 26 fund for the purpose of curing the default. The account is then
 27 considered paid. A county that has the county's distribution reduced
 28 under this subsection shall apply the withheld amount only to the
 29 county unit's share of the distribution and may not reduce a distribution
 30 to any other civil taxing unit or school corporation within the county.

31 SECTION 13. IC 4-30-16-3, AS AMENDED BY P.L.2-2006,
 32 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JANUARY 1, 2009]: Sec. 3. (a) The commission shall transfer the
 34 surplus revenue in the administrative trust fund as follows:

- 35 (1) Before the last business day of January, April, July, and
 36 October, the commission shall transfer to the treasurer of state, for
 37 deposit in the Indiana state teachers' retirement fund (IC
 38 5-10.4-2), seven million five hundred thousand dollars
 39 (\$7,500,000). Notwithstanding any other law, including any
 40 appropriations law resulting from a budget bill (as defined in
 41 IC 4-12-1-2), the money transferred under this subdivision shall
 42 be set aside in the pension stabilization fund (IC 5-10.4-2-5) to be

1 used as a credit against the unfunded accrued liability of the
 2 pre-1996 account (as defined in IC 5-10.4-1-12) of the Indiana
 3 state teachers' retirement fund. The money transferred is in
 4 addition to the appropriation needed to pay benefits for the state
 5 fiscal year.

6 (2) Before the last business day of January, April, July, and
 7 October, the commission shall transfer

8 ~~(A) two seven~~ million five hundred thousand dollars
 9 ~~(\$2,500,000)~~ **(\$7,500,000)** of the surplus revenue to the
 10 treasurer of state for deposit in ~~the "k" portion of~~ the pension
 11 relief fund (IC 5-10.3-11). ~~and~~

12 ~~(B) five million dollars (\$5,000,000) of the surplus revenue to~~
 13 ~~the treasurer of state for deposit in the "m" portion of the~~
 14 ~~pension relief fund (IC 5-10.3-11);~~

15 (3) The surplus revenue remaining in the fund on the last day of
 16 January, April, July, and October after the transfers under
 17 subdivisions (1) and (2) shall be transferred by the commission to
 18 the treasurer of state for deposit on that day in the build Indiana
 19 fund.

20 (b) The commission may make transfers to the treasurer of state
 21 more frequently than required by subsection (a). However, the number
 22 of transfers does not affect the amount that is required to be transferred
 23 for the purposes listed in subsection (a)(1) and (a)(2). Any amount
 24 transferred during the month in excess of the amount required to be
 25 transferred for the purposes listed in subsection (a)(1) and (a)(2) shall
 26 be transferred to the build Indiana fund.

27 SECTION 14. IC 4-33-12-6, AS AMENDED BY P.L.233-2007,
 28 SECTION 16, AND AS AMENDED BY P.L.234-2007, SECTION
 29 280, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 30 [EFFECTIVE JANUARY 1, 2009]: Sec. 6. (a) The department shall
 31 place in the state general fund the tax revenue collected under this
 32 chapter.

33 (b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7,
 34 the treasurer of state shall quarterly pay the following amounts:

35 (1) Except as provided in subsection (k), one dollar (\$1) of the
 36 admissions tax collected by the licensed owner for each person
 37 embarking on a gambling excursion during the quarter or
 38 admitted to a riverboat that has implemented flexible scheduling
 39 under IC 4-33-6-21 during the quarter shall be paid to:

40 (A) the city in which the riverboat is docked, if the city:

41 (i) is located in a county having a population of more than
 42 one hundred ten thousand (110,000) but less than one

- 1 hundred fifteen thousand (115,000); or
- 2 (ii) is contiguous to the Ohio River and is the largest city in
- 3 the county; and
- 4 (B) the county in which the riverboat is docked, if the
- 5 riverboat is not docked in a city described in clause (A).
- 6 (2) Except as provided in subsection (k), one dollar (\$1) of the
- 7 admissions tax collected by the licensed owner for each person:
- 8 (A) embarking on a gambling excursion during the quarter; or
- 9 (B) admitted to a riverboat during the quarter that has
- 10 implemented flexible scheduling under IC 4-33-6-21;
- 11 shall be paid to the county in which the riverboat is docked. In the
- 12 case of a county described in subdivision (1)(B), this one dollar
- 13 (\$1) is in addition to the one dollar (\$1) received under
- 14 subdivision (1)(B).
- 15 (3) Except as provided in subsection (k), ten cents (\$0.10) of the
- 16 admissions tax collected by the licensed owner for each person:
- 17 (A) embarking on a gambling excursion during the quarter; or
- 18 (B) admitted to a riverboat during the quarter that has
- 19 implemented flexible scheduling under IC 4-33-6-21;
- 20 shall be paid to the county convention and visitors bureau or
- 21 promotion fund for the county in which the riverboat is docked.
- 22 (4) Except as provided in subsection (k), fifteen cents (\$0.15) of
- 23 the admissions tax collected by the licensed owner for each
- 24 person:
- 25 (A) embarking on a gambling excursion during the quarter; or
- 26 (B) admitted to a riverboat during a quarter that has
- 27 implemented flexible scheduling under IC 4-33-6-21;
- 28 shall be paid to the state fair commission, for use in any activity
- 29 that the commission is authorized to carry out under ~~IC 15-1.5-3.~~
- 30 **IC 15-13-3.**
- 31 (5) Except as provided in subsection (k), ten cents (\$0.10) of the
- 32 admissions tax collected by the licensed owner for each person:
- 33 (A) embarking on a gambling excursion during the quarter; or
- 34 (B) admitted to a riverboat during the quarter that has
- 35 implemented flexible scheduling under IC 4-33-6-21;
- 36 shall be paid to the division of mental health and addiction. The
- 37 division shall allocate at least twenty-five percent (25%) of the
- 38 funds derived from the admissions tax to the prevention and
- 39 treatment of compulsive gambling.
- 40 (6) Except as provided in subsection (k) *and section 7 of this*
- 41 *chapter*, sixty-five cents (\$0.65) of the admissions tax collected
- 42 by the licensed owner for each person embarking on a gambling

1 excursion during the quarter or admitted to a riverboat during the
 2 quarter that has implemented flexible scheduling under
 3 IC 4-33-6-21 shall be paid to the Indiana horse racing commission
 4 to be distributed as follows, in amounts determined by the Indiana
 5 horse racing commission, for the promotion and operation of
 6 horse racing in Indiana:

7 (A) To one (1) or more breed development funds established
 8 by the Indiana horse racing commission under IC 4-31-11-10.

9 (B) To a racetrack that was approved by the Indiana horse
 10 racing commission under IC 4-31. The commission may make
 11 a grant under this clause only for purses, promotions, and
 12 routine operations of the racetrack. No grants shall be made
 13 for long term capital investment or construction, and no grants
 14 shall be made before the racetrack becomes operational and is
 15 offering a racing schedule.

16 (c) With respect to tax revenue collected from a riverboat located in
 17 a historic hotel district, the treasurer of state shall quarterly pay the
 18 following amounts:

19 (1) ~~Twenty-five~~ *Twenty-two* percent ~~(25%)~~ (22%) of the
 20 admissions tax collected during the quarter shall be paid to the
 21 county treasurer of the county in which the riverboat is docked.
 22 The county treasurer shall distribute the money received under
 23 this subdivision as follows:

24 (A) ~~Twenty~~ *Twenty-two and seventy-five hundredths* percent
 25 ~~(20%)~~ (22.75%) shall be quarterly distributed to the county
 26 treasurer of a county having a population of more than
 27 thirty-nine thousand six hundred (39,600) but less than forty
 28 thousand (40,000) for appropriation by the county fiscal body
 29 after receiving a recommendation from the county executive.
 30 The county fiscal body for the receiving county shall provide
 31 for the distribution of the money received under this clause to
 32 one (1) or more taxing units (as defined in IC 6-1.1-1-21) in
 33 the county under a formula established by the county fiscal
 34 body after receiving a recommendation from the county
 35 executive.

36 (B) ~~Twenty~~ *Twenty-two and seventy-five hundredths* percent
 37 ~~(20%)~~ (22.75%) shall be quarterly distributed to the county
 38 treasurer of a county having a population of more than ten
 39 thousand seven hundred (10,700) but less than twelve
 40 thousand (12,000) for appropriation by the county fiscal body.
 41 The county fiscal body for the receiving county shall provide
 42 for the distribution of the money received under this clause to

1 one (1) or more taxing units (as defined in IC 6-1.1-1-21) in
2 the county under a formula established by the county fiscal
3 body after receiving a recommendation from the county
4 executive.

5 (C) ~~Sixty~~ *Fifty-four and five-tenths percent (54.5%)*
6 shall be retained by the county where the riverboat is docked
7 for appropriation by the county fiscal body after receiving a
8 recommendation from the county executive. ~~The county fiscal~~
9 *body shall provide for the distribution of part or all of the*
10 *money received under this clause to the following under a*
11 *formula established by the county fiscal body:*

12 ~~(i)~~ *(2) Five percent (5%) of the admissions tax collected during*
13 *the quarter shall be paid to a town having a population of more*
14 *than two thousand two hundred (2,200) but less than three*
15 *thousand five hundred (3,500) located in a county having a*
16 *population of more than nineteen thousand three hundred*
17 *(19,300) but less than twenty thousand (20,000). At least twenty*
18 *percent (20%) of the taxes received by a town under this*
19 *subdivision must be transferred to the school corporation in*
20 *which the town is located.*

21 ~~(ii)~~ *(3) Five percent (5%) of the admissions tax collected during*
22 *the quarter shall be paid to a town having a population of more*
23 *than three thousand five hundred (3,500) located in a county*
24 *having a population of more than nineteen thousand three*
25 *hundred (19,300) but less than twenty thousand (20,000). At least*
26 *twenty percent (20%) of the taxes received by a town under this*
27 *subdivision must be transferred to the school corporation in*
28 *which the town is located.*

29 ~~(2) Sixteen~~ *(4) Twenty percent (20%) of the admissions tax*
30 *collected during the quarter shall be paid in equal amounts to*
31 *each town that:*

- 32 (A) is located in the county in which the riverboat docks; and
- 33 (B) contains a historic hotel.

34 ~~The town council shall appropriate a part of the money received~~
35 *by the town under this subdivision to the budget of the town's*
36 *tourism commission. At least twenty percent (20%) of the taxes*
37 *received by a town under this subdivision must be transferred to*
38 *the school corporation in which the town is located.*

39 ~~(3) Nine~~ *(5) Ten percent (10%) of the admissions tax*
40 *collected during the quarter shall be paid to the historic hotel*
41 *preservation Orange County development commission*
42 *established under IC 36-7-11.5. At least one-third (1/3) of the*

1 *taxes paid to the Orange County development commission under*
 2 *this subdivision must be transferred to the Orange County*
 3 *convention and visitors bureau.*

4 ~~(4) Twenty-five~~ (6) *Thirteen* percent ~~(25%)~~ (13%) of the
 5 admissions tax collected during the quarter shall be paid to the
 6 West Baden Springs historic hotel preservation and maintenance
 7 fund established by IC 36-7-11.5-11(b).

8 ~~(5) (7)~~ Twenty-five percent (25%) of the admissions tax collected
 9 during the quarter shall be paid to the Indiana economic
 10 development corporation to be used by the corporation for the
 11 development and implementation of a regional economic
 12 development strategy to assist the residents of the county in which
 13 the riverboat is located and residents of contiguous counties in
 14 improving their quality of life and to help promote successful and
 15 sustainable communities. The regional economic development
 16 strategy must include goals concerning the following issues:

17 (A) Job creation and retention.

18 (B) Infrastructure, including water, wastewater, and storm
 19 water infrastructure needs.

20 (C) Housing.

21 (D) Workforce training.

22 (E) Health care.

23 (F) Local planning.

24 (G) Land use.

25 (H) Assistance to regional economic development groups.

26 (I) Other regional development issues as determined by the
 27 Indiana economic development corporation.

28 (d) With respect to tax revenue collected from a riverboat that
 29 operates from a county having a population of more than four hundred
 30 thousand (400,000) but less than seven hundred thousand (700,000),
 31 the treasurer of state shall quarterly pay the following amounts:

32 (1) Except as provided in subsection (k), one dollar (\$1) of the
 33 admissions tax collected by the licensed owner for each person:

34 (A) embarking on a gambling excursion during the quarter; or

35 (B) admitted to a riverboat during the quarter that has
 36 implemented flexible scheduling under IC 4-33-6-21;

37 shall be paid to the city in which the riverboat is docked.

38 (2) Except as provided in subsection (k), one dollar (\$1) of the
 39 admissions tax collected by the licensed owner for each person:

40 (A) embarking on a gambling excursion during the quarter; or

41 (B) admitted to a riverboat during the quarter that has
 42 implemented flexible scheduling under IC 4-33-6-21;

- 1 shall be paid to the county in which the riverboat is docked.
- 2 (3) Except as provided in subsection (k), nine cents (\$0.09) of the
 3 admissions tax collected by the licensed owner for each person:
 4 (A) embarking on a gambling excursion during the quarter; or
 5 (B) admitted to a riverboat during the quarter that has
 6 implemented flexible scheduling under IC 4-33-6-21;
 7 shall be paid to the county convention and visitors bureau or
 8 promotion fund for the county in which the riverboat is docked.
- 9 (4) Except as provided in subsection (k), one cent (\$0.01) of the
 10 admissions tax collected by the licensed owner for each person:
 11 (A) embarking on a gambling excursion during the quarter; or
 12 (B) admitted to a riverboat during the quarter that has
 13 implemented flexible scheduling under IC 4-33-6-21;
 14 shall be paid to the northwest Indiana law enforcement training
 15 center.
- 16 (5) Except as provided in subsection (k), fifteen cents (\$0.15) of
 17 the admissions tax collected by the licensed owner for each
 18 person:
 19 (A) embarking on a gambling excursion during the quarter; or
 20 (B) admitted to a riverboat during a quarter that has
 21 implemented flexible scheduling under IC 4-33-6-21;
 22 shall be paid to the state fair commission for use in any activity
 23 that the commission is authorized to carry out under ~~IC 15-1.5-3.~~
 24 **IC 15-13-3.**
- 25 (6) Except as provided in subsection (k), ten cents (\$0.10) of the
 26 admissions tax collected by the licensed owner for each person:
 27 (A) embarking on a gambling excursion during the quarter; or
 28 (B) admitted to a riverboat during the quarter that has
 29 implemented flexible scheduling under IC 4-33-6-21;
 30 shall be paid to the division of mental health and addiction. The
 31 division shall allocate at least twenty-five percent (25%) of the
 32 funds derived from the admissions tax to the prevention and
 33 treatment of compulsive gambling.
- 34 (7) Except as provided in subsection (k) *and section 7 of this*
 35 *chapter*, sixty-five cents (\$0.65) of the admissions tax collected
 36 by the licensed owner for each person embarking on a gambling
 37 excursion during the quarter or admitted to a riverboat during the
 38 quarter that has implemented flexible scheduling under
 39 IC 4-33-6-21 shall be paid to the Indiana horse racing commission
 40 to be distributed as follows, in amounts determined by the Indiana
 41 horse racing commission, for the promotion and operation of
 42 horse racing in Indiana:

1 (A) To one (1) or more breed development funds established
2 by the Indiana horse racing commission under IC 4-31-11-10.

3 (B) To a racetrack that was approved by the Indiana horse
4 racing commission under IC 4-31. The commission may make
5 a grant under this clause only for purses, promotions, and
6 routine operations of the racetrack. No grants shall be made
7 for long term capital investment or construction, and no grants
8 shall be made before the racetrack becomes operational and is
9 offering a racing schedule.

10 (e) Money paid to a unit of local government under subsection
11 (b)(1) through (b)(2), (c)(1) through ~~(c)(2)~~, (c)(4), or (d)(1) through
12 (d)(2):

13 (1) must be paid to the fiscal officer of the unit and may be
14 deposited in the unit's general fund or riverboat fund established
15 under IC 36-1-8-9, or both;

16 (2) may not be used to reduce the unit's maximum levy under
17 IC 6-1.1-18.5 but may be used at the discretion of the unit to
18 reduce the property tax levy of the unit for a particular year;

19 (3) may be used for any legal or corporate purpose of the unit,
20 including the pledge of money to bonds, leases, or other
21 obligations under IC 5-1-14-4; and

22 (4) is considered miscellaneous revenue.

23 (f) Money paid by the treasurer of state under subsection (b)(3) or
24 (d)(3) shall be:

25 (1) deposited in:

26 (A) the county convention and visitor promotion fund; or

27 (B) the county's general fund if the county does not have a
28 convention and visitor promotion fund; and

29 (2) used only for the tourism promotion, advertising, and
30 economic development activities of the county and community.

31 (g) Money received by the division of mental health and addiction
32 under subsections (b)(5) and (d)(6):

33 (1) is annually appropriated to the division of mental health and
34 addiction;

35 (2) shall be distributed to the division of mental health and
36 addiction at times during each state fiscal year determined by the
37 budget agency; and

38 (3) shall be used by the division of mental health and addiction
39 for programs and facilities for the prevention and treatment of
40 addictions to drugs, alcohol, and compulsive gambling, including
41 the creation and maintenance of a toll free telephone line to
42 provide the public with information about these addictions. The

1 division shall allocate at least twenty-five percent (25%) of the
2 money received to the prevention and treatment of compulsive
3 gambling.

4 (h) This subsection applies to the following:

- 5 (1) Each entity receiving money under subsection (b).
6 (2) Each entity receiving money under subsection (d)(1) through
7 (d)(2).
8 (3) Each entity receiving money under subsection (d)(5) through
9 (d)(7).

10 The treasurer of state shall determine the total amount of money paid
11 by the treasurer of state to an entity subject to this subsection during
12 the state fiscal year 2002. The amount determined under this subsection
13 is the base year revenue for each entity subject to this subsection. The
14 treasurer of state shall certify the base year revenue determined under
15 this subsection to each entity subject to this subsection.

16 (i) This subsection applies to an entity receiving money under
17 subsection (d)(3) or (d)(4). The treasurer of state shall determine the
18 total amount of money paid by the treasurer of state to the entity
19 described in subsection (d)(3) during state fiscal year 2002. The
20 amount determined under this subsection multiplied by nine-tenths
21 (0.9) is the base year revenue for the entity described in subsection
22 (d)(3). The amount determined under this subsection multiplied by
23 one-tenth (0.1) is the base year revenue for the entity described in
24 subsection (d)(4). The treasurer of state shall certify the base year
25 revenue determined under this subsection to each entity subject to this
26 subsection.

27 (j) This subsection does not apply to an entity receiving money
28 under subsection (c). For state fiscal years beginning after June 30,
29 2002, the total amount of money distributed to an entity under this
30 section during a state fiscal year may not exceed the entity's base year
31 revenue as determined under subsection (h) or (i). If the treasurer of
32 state determines that the total amount of money distributed to an entity
33 under this section during a state fiscal year is less than the entity's base
34 year revenue, the treasurer of state shall make a supplemental
35 distribution to the entity under IC 4-33-13-5(g).

36 (k) This subsection does not apply to an entity receiving money
37 under subsection (c). For state fiscal years beginning after June 30,
38 2002, the treasurer of state shall pay that part of the riverboat
39 admissions taxes that:

- 40 (1) ~~exceed~~ exceeds a particular entity's base year revenue; and
41 (2) would otherwise be due to the entity under this section;
42 to the ~~property tax replacement~~ **state general** fund instead of to the

1 entity.

2 SECTION 15. IC 4-33-13-5, AS AMENDED BY P.L.233-2007,
3 SECTION 19, AND AS AMENDED BY P.L.234-2007, SECTION
4 281, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
5 [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) This subsection does not
6 apply to tax revenue remitted by an operating agent operating a
7 riverboat in a historic hotel district. After funds are appropriated under
8 section 4 of this chapter, each month the treasurer of state shall
9 distribute the tax revenue deposited in the state gaming fund under this
10 chapter to the following:

11 (1) The first thirty-three million dollars (\$33,000,000) of tax
12 revenues collected under this chapter shall be set aside for
13 revenue sharing under subsection (e).

14 (2) Subject to subsection (c), twenty-five percent (25%) of the
15 remaining tax revenue remitted by each licensed owner shall be
16 paid:

17 (A) to the city that is designated as the home dock of the
18 riverboat from which the tax revenue was collected, in the case
19 of:

20 (i) a city described in IC 4-33-12-6(b)(1)(A); or

21 (ii) a city located in a county having a population of more
22 than four hundred thousand (400,000) but less than seven
23 hundred thousand (700,000); or

24 (B) to the county that is designated as the home dock of the
25 riverboat from which the tax revenue was collected, in the case
26 of a riverboat whose home dock is not in a city described in
27 clause (A).

28 (3) Subject to subsection (d), the remainder of the tax revenue
29 remitted by each licensed owner shall be paid to the ~~property tax~~
30 ~~replacement state general~~ fund. In each state fiscal year, the
31 treasurer of state shall make the transfer required by this
32 subdivision not later than the last business day of the month in
33 which the tax revenue is remitted to the state for deposit in the
34 state gaming fund. However, if tax revenue is received by the
35 state on the last business day in a month, the treasurer of state
36 may transfer the tax revenue to the ~~property tax replacement state~~
37 ~~general~~ fund in the immediately following month.

38 (b) This subsection applies only to tax revenue remitted by an
39 operating agent operating a riverboat in a historic hotel district. After
40 funds are appropriated under section 4 of this chapter, each month the
41 treasurer of state shall distribute the tax revenue *deposited in the state*
42 *gaming fund remitted by the operating agent* under this chapter as

1 follows:

- 2 (1) Thirty-seven and one-half percent (37.5%) shall be paid to the
 3 **property tax replacement state general fund. established under**
 4 ~~IC 6-1.1-21.~~
- 5 (2) ~~Thirty-seven and one-half~~ Nineteen percent ~~(37.5%)~~ (19%)
 6 shall be paid to the West Baden Springs historic hotel
 7 preservation and maintenance fund established by
 8 IC 36-7-11.5-11(b). However, at any time the balance in that fund
 9 exceeds twenty million dollars (\$20,000,000), the amount
 10 described in this subdivision shall be paid to the **property tax**
 11 **replacement state general fund. established under** ~~IC 6-1.1-21.~~
- 12 (3) ~~Five Eight~~ percent ~~(5%)~~ (8%) shall be paid to the *historic*
 13 *hotel preservation Orange County development* commission
 14 established under IC 36-7-11.5.
- 15 (4) ~~Ten Sixteen~~ percent ~~(10%)~~ (16%) shall be paid in equal
 16 amounts to each town that ~~(A)~~ is located in the county in which
 17 the riverboat docks and ~~(B)~~ contains a historic hotel. *The town*
 18 *council shall appropriate a part of the money received by the*
 19 *town under this subdivision to the budget of the town's tourism*
 20 *commission. The following apply to taxes received by a town*
 21 *under this subdivision:*
- 22 (A) *At least twenty-five percent (25%) of the taxes must be*
 23 *transferred to the school corporation in which the town is*
 24 *located.*
- 25 (B) *At least twelve and five-tenths percent (12.5%) of the taxes*
 26 *must be transferred to the Orange County convention and*
 27 *visitors bureau.*
- 28 (5) ~~Ten Nine~~ percent ~~(10%)~~ (9%) shall be paid to the county
 29 treasurer of the county in which the riverboat is docked. The
 30 county treasurer shall distribute the money received under this
 31 subdivision as follows:
- 32 (A) ~~Twenty Twenty-two and twenty-five hundredths~~ percent
 33 ~~(20%)~~ (22.25%) shall be quarterly distributed to the county
 34 treasurer of a county having a population of more than
 35 thirty-nine thousand six hundred (39,600) but less than forty
 36 thousand (40,000) for appropriation by the county fiscal body
 37 after receiving a recommendation from the county executive.
 38 The county fiscal body for the receiving county shall provide
 39 for the distribution of the money received under this clause to
 40 one (1) or more taxing units (as defined in IC 6-1.1-1-21) in
 41 the county under a formula established by the county fiscal
 42 body after receiving a recommendation from the county

1 executive.

2 (B) ~~Twenty~~ *Twenty-two and twenty-five hundredths* percent
 3 ~~(20%)~~ (22.25%) shall be quarterly distributed to the county
 4 treasurer of a county having a population of more than ten
 5 thousand seven hundred (10,700) but less than twelve
 6 thousand (12,000) for appropriation by the county fiscal body
 7 after receiving a recommendation from the county executive.
 8 The county fiscal body for the receiving county shall provide
 9 for the distribution of the money received under this clause to
 10 one (1) or more taxing units (as defined in IC 6-1.1-1-21) in
 11 the county under a formula established by the county fiscal
 12 body after receiving a recommendation from the county
 13 executive.

14 (C) ~~Sixty~~ *Fifty-five and five-tenths* percent ~~(60%)~~ (55.5%) shall
 15 be retained by the county where the riverboat is docked for
 16 appropriation by the county fiscal body after receiving a
 17 recommendation from the county executive. *The county fiscal*
 18 *body shall provide for the distribution of part or all of the*
 19 *money received under this clause to the following under a*
 20 *formula established by the county fiscal body:*

21 ~~(i)~~ (6) *Five percent (5%) shall be paid to a town having a*
 22 *population of more than two thousand two hundred (2,200) but*
 23 *less than three thousand five hundred (3,500) located in a county*
 24 *having a population of more than nineteen thousand three*
 25 *hundred (19,300) but less than twenty thousand (20,000). At least*
 26 *forty percent (40%) of the taxes received by a town under this*
 27 *subdivision must be transferred to the school corporation in*
 28 *which the town is located.*

29 ~~(ii)~~ (7) *Five percent (5%) shall be paid to a town having a*
 30 *population of more than three thousand five hundred (3,500)*
 31 *located in a county having a population of more than nineteen*
 32 *thousand three hundred (19,300) but less than twenty thousand*
 33 *(20,000). At least forty percent (40%) of the taxes received by a*
 34 *town under this subdivision must be transferred to the school*
 35 *corporation in which the town is located.*

36 (8) *Five-tenths percent (0.5%) shall be paid to the Orange County*
 37 *convention and visitors bureau.*

38 (c) For each city and county receiving money under subsection
 39 (a)(2), the treasurer of state shall determine the total amount of money
 40 paid by the treasurer of state to the city or county during the state fiscal
 41 year 2002. The amount determined is the base year revenue for the city
 42 or county. The treasurer of state shall certify the base year revenue

1 determined under this subsection to the city or county. The total
 2 amount of money distributed to a city or county under this section
 3 during a state fiscal year may not exceed the entity's base year revenue.
 4 For each state fiscal year, the treasurer of state shall pay that part of the
 5 riverboat wagering taxes that:

- 6 (1) exceeds a particular city's or county's base year revenue; and
- 7 (2) would otherwise be due to the city or county under this
 8 section;

9 to the ~~property tax replacement state general~~ fund instead of to the city
 10 or county.

11 (d) Each state fiscal year the treasurer of state shall transfer from the
 12 tax revenue remitted to the ~~property tax replacement state general~~ fund
 13 under subsection (a)(3) to the build Indiana fund an amount that when
 14 added to the following may not exceed two hundred fifty million
 15 dollars (\$250,000,000):

- 16 (1) Surplus lottery revenues under IC 4-30-17-3.
- 17 (2) Surplus revenue from the charity gaming enforcement fund
 18 under IC 4-32.2-7-7.
- 19 (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

20 The treasurer of state shall make transfers on a monthly basis as needed
 21 to meet the obligations of the build Indiana fund. If in any state fiscal
 22 year insufficient money is transferred to the ~~property tax replacement~~
 23 ~~state general~~ fund under subsection (a)(3) to comply with this
 24 subsection, the treasurer of state shall reduce the amount transferred to
 25 the build Indiana fund to the amount available in the ~~property tax~~
 26 ~~replacement state general~~ fund from the transfers under subsection
 27 (a)(3) for the state fiscal year.

28 (e) Before August 15 of each year, the treasurer of state shall
 29 distribute the wagering taxes set aside for revenue sharing under
 30 subsection (a)(1) to the county treasurer of each county that does not
 31 have a riverboat according to the ratio that the county's population
 32 bears to the total population of the counties that do not have a
 33 riverboat. Except as provided in subsection (h), the county auditor shall
 34 distribute the money received by the county under this subsection as
 35 follows:

- 36 (1) To each city located in the county according to the ratio the
 37 city's population bears to the total population of the county.
- 38 (2) To each town located in the county according to the ratio the
 39 town's population bears to the total population of the county.
- 40 (3) After the distributions required in subdivisions (1) and (2) are
 41 made, the remainder shall be retained by the county.

42 (f) Money received by a city, town, or county under subsection (e)

1 or (h) may be used for any of the following purposes:

2 (1) To reduce the property tax levy of the city, town, or county for
3 a particular year (a property tax reduction under this subdivision
4 does not reduce the maximum levy of the city, town, or county
5 under IC 6-1.1-18.5).

6 (2) For deposit in a special fund or allocation fund created under
7 IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and
8 IC 36-7-30 to provide funding for ~~additional credits for property~~
9 ~~tax replacement in property tax increment allocation areas or debt~~
10 ~~repayment.~~

11 (3) To fund sewer and water projects, including storm water
12 management projects.

13 (4) For police and fire pensions.

14 (5) To carry out any governmental purpose for which the money
15 is appropriated by the fiscal body of the city, town, or county.
16 Money used under this subdivision does not reduce the property
17 tax levy of the city, town, or county for a particular year or reduce
18 the maximum levy of the city, town, or county under
19 IC 6-1.1-18.5.

20 (g) This subsection does not apply to an entity receiving money
21 under IC 4-33-12-6(c). Before September 15 of each year, the treasurer
22 of state shall determine the total amount of money distributed to an
23 entity under IC 4-33-12-6 during the preceding state fiscal year. If the
24 treasurer of state determines that the total amount of money distributed
25 to an entity under IC 4-33-12-6 during the preceding state fiscal year
26 was less than the entity's base year revenue (as determined under
27 IC 4-33-12-6), the treasurer of state shall make a supplemental
28 distribution to the entity from taxes collected under this chapter and
29 deposited into the ~~property tax replacement state general~~ fund. *Except*
30 *as provided in subsection (i), the amount of ~~the~~ an entity's*
31 *supplemental distribution is equal to:*

32 (1) the entity's base year revenue (as determined under
33 IC 4-33-12-6); minus

34 (2) the sum of:

35 (A) the total amount of money distributed to the entity during
36 the preceding state fiscal year under IC 4-33-12-6; plus

37 (B) any amounts deducted under IC 6-3.1-20-7.

38 (h) This subsection applies only to a county containing a
39 consolidated city. The county auditor shall distribute the money
40 received by the county under subsection (e) as follows:

41 (1) To each city, other than a consolidated city, located in the
42 county according to the ratio that the city's population bears to the

1 total population of the county.

2 (2) To each town located in the county according to the ratio that
3 the town's population bears to the total population of the county.

4 (3) After the distributions required in subdivisions (1) and (2) are
5 made, the remainder shall be paid in equal amounts to the
6 consolidated city and the county.

7 *(i) This subsection applies only to the Indiana horse racing*
8 *commission. For each state fiscal year the amount of the Indiana horse*
9 *racing commission's supplemental distribution under subsection (g)*
10 *must be reduced by the amount required to comply with*
11 *IC 4-33-12-7(a).*

12 SECTION 16. IC 4-35-5-3, AS ADDED BY P.L.233-2007,
13 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JANUARY 1, 2009]: Sec. 3. (a) A permit holder that is issued a
15 gambling game license under this article must pay to the commission
16 an initial licensing fee of two hundred fifty million dollars
17 (\$250,000,000) as follows:

18 (1) One hundred fifty million dollars (\$150,000,000) payable
19 before November 1, 2007.

20 (2) One hundred million dollars (\$100,000,000) payable before
21 November 1, 2008.

22 (b) The commission shall deposit any initial licensing fees collected
23 under this section into the **property tax reduction trust state general**
24 **fund.** ~~established by IC 4-35-8-2.~~ Subject to an appropriation by the
25 ~~general assembly;~~ money deposited into the property tax reduction trust
26 ~~fund under this section may be used to provide property tax relief in~~
27 ~~any manner prescribed by the general assembly.~~

28 SECTION 17. IC 4-35-5-4, AS ADDED BY P.L.233-2007,
29 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JANUARY 1, 2009]: Sec. 4. (a) An initial gambling game license
31 expires five (5) years after the effective date of the license. Unless the
32 gambling game license is terminated or revoked, the gambling game
33 license may be renewed annually thereafter upon:

34 (1) the payment of an annual renewal fee of one hundred dollars
35 (\$100) per slot machine operated by the licensee; and

36 (2) a determination by the commission that the licensee satisfies
37 the conditions of this chapter.

38 Renewal fees paid under this section shall be deposited in the **property**
39 **tax reduction trust state general** fund. ~~established by IC 4-35-8-2.~~

40 (b) Except as provided in subsection (c), an initial gaming license
41 may not be transferred by the initial licensee for at least five (5) years
42 after the effective date of the license.

1 (c) A gambling game license may be transferred for any of the
2 following reasons:

3 (1) As a result of a bankruptcy, a receivership, or a debt
4 adjustment initiated by or against the initial licensee or the
5 substantial owners of the initial licensee.

6 (2) Because:

7 (A) the licensee's license has been cancelled, terminated, or
8 revoked by the commission; or

9 (B) the commission determines that transferring the license is
10 in the best interests of Indiana.

11 (3) Because of the death of a substantial owner of the initial
12 licensee.

13 A transfer permitted under this subsection is subject to section 7 of this
14 chapter.

15 SECTION 18. IC 4-35-7-12, AS ADDED BY P.L.233-2007,
16 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JANUARY 1, 2009]: Sec. 12. (a) The Indiana horse racing commission
18 shall enforce the requirements of this section.

19 (b) Except as provided in subsections (j) and (k), a licensee shall
20 before the fifteenth day of each month devote to the gaming integrity
21 fund, horse racing purses, and to horsemen's associations an amount
22 equal to fifteen percent (15%) of the adjusted gross receipts of the slot
23 machine wagering from the previous month at the licensee's racetrack.
24 The Indiana horse racing commission may not use any of this money
25 for any administrative purpose or other purpose of the Indiana horse
26 racing commission, and the entire amount of the money shall be
27 distributed as provided in this section. A licensee shall pay the first two
28 hundred fifty thousand dollars (\$250,000) distributed under this section
29 in a state fiscal year to the commission for deposit in the gaming
30 integrity fund established by IC 4-35-8.7-3. After this money has been
31 distributed to the commission, a licensee shall distribute the remaining
32 money devoted to horse racing purses and to horsemen's associations
33 under this subsection as follows:

34 (1) Five-tenths percent (0.5%) shall be transferred to horsemen's
35 associations for equine promotion or welfare according to the
36 ratios specified in subsection (e).

37 (2) Two and five-tenths percent (2.5%) shall be transferred to
38 horsemen's associations for backside benevolence according to
39 the ratios specified in subsection (e).

40 (3) Ninety-seven percent (97%) shall be distributed to promote
41 horses and horse racing as provided in subsection (d).

42 (c) A horsemen's association shall expend the amounts distributed

1 to the horsemen's association under subsection (b)(1) through (b)(2) for
 2 a purpose promoting the equine industry or equine welfare or for a
 3 benevolent purpose that the horsemen's association determines is in the
 4 best interests of horse racing in Indiana for the breed represented by the
 5 horsemen's association. Expenditures under this subsection are subject
 6 to the regulatory requirements of subsection (f).

7 (d) A licensee shall distribute the amounts described in subsection
 8 (b)(3) as follows:

9 (1) Forty-six percent (46%) for thoroughbred purposes as follows:

10 (A) Sixty percent (60%) for the following purposes:

11 (i) Ninety-seven percent (97%) for thoroughbred purses.

12 (ii) Two and four-tenths percent (2.4%) to the horsemen's
 13 association representing thoroughbred owners and trainers.

14 (iii) Six-tenths percent (0.6%) to the horsemen's association
 15 representing thoroughbred owners and breeders.

16 (B) Forty percent (40%) to the breed development fund
 17 established for thoroughbreds under IC 4-31-11-10.

18 (2) Forty-six percent (46%) for standardbred purposes as follows:

19 (A) Fifty percent (50%) for the following purposes:

20 (i) Ninety-six and five-tenths percent (96.5%) for
 21 standardbred purses.

22 (ii) Three and five-tenths percent (3.5%) to the horsemen's
 23 association representing standardbred owners and trainers.

24 (B) Fifty percent (50%) to the breed development fund
 25 established for standardbreds under IC 4-31-11-10.

26 (3) Eight percent (8%) for quarter horse purposes as follows:

27 (A) Seventy percent (70%) for the following purposes:

28 (i) Ninety-five percent (95%) for quarter horse purses.

29 (ii) Five percent (5%) to the horsemen's association
 30 representing quarter horse owners and trainers.

31 (B) Thirty percent (30%) to the breed development fund
 32 established for quarter horses under IC 4-31-11-10.

33 Expenditures under this subsection are subject to the regulatory
 34 requirements of subsection (f).

35 (e) Money distributed under subsection (b)(1) and (b)(2) shall be
 36 allocated as follows:

37 (1) Forty-six percent (46%) to the horsemen's association
 38 representing thoroughbred owners and trainers.

39 (2) Forty-six percent (46%) to the horsemen's association
 40 representing standardbred owners and trainers.

41 (3) Eight percent (8%) to the horsemen's association representing
 42 quarter horse owners and trainers.

1 (f) Money distributed under this section may not be expended unless
2 the expenditure is for a purpose authorized in this section and is either
3 for a purpose promoting the equine industry or equine welfare or is for
4 a benevolent purpose that is in the best interests of horse racing in
5 Indiana or the necessary expenditures for the operations of the
6 horsemen's association required to implement and fulfill the purposes
7 of this section. The Indiana horse racing commission may review any
8 expenditure of money distributed under this section to ensure that the
9 requirements of this section are satisfied. The Indiana horse racing
10 commission shall adopt rules concerning the review and oversight of
11 money distributed under this section and shall adopt rules concerning
12 the enforcement of this section. The following apply to a horsemen's
13 association receiving a distribution of money under this section:

14 (1) The horsemen's association must annually file a report with
15 the Indiana horse racing commission concerning the use of the
16 money by the horsemen's association. The report must include
17 information as required by the commission.

18 (2) The horsemen's association must register with the Indiana
19 horse racing commission.

20 (g) The commission shall provide the Indiana horse racing
21 commission with the information necessary to enforce this section.

22 (h) The Indiana horse racing commission shall investigate any
23 complaint that a licensee has failed to comply with the horse racing
24 purse requirements set forth in this section. If, after notice and a
25 hearing, the Indiana horse racing commission finds that a licensee has
26 failed to comply with the purse requirements set forth in this section,
27 the Indiana horse racing commission may:

28 (1) issue a warning to the licensee;

29 (2) impose a civil penalty that may not exceed one million dollars
30 (\$1,000,000); or

31 (3) suspend a meeting permit issued under IC 4-31-5 to conduct
32 a pari-mutuel wagering horse racing meeting in Indiana.

33 (i) A civil penalty collected under this section must be deposited in
34 the state general fund.

35 (j) For a state fiscal year beginning after June 30, 2008, and ending
36 before July 1, 2009, the amount of money dedicated to the purposes
37 described in subsection (b) for a particular state fiscal year is equal to
38 the lesser of:

39 (1) fifteen percent (15%) of the licensee's adjusted gross receipts
40 for the state fiscal year; or

41 (2) eighty-five million dollars (\$85,000,000).

42 If fifteen percent (15%) of a licensee's adjusted gross receipts for the

1 state fiscal year exceeds the amount specified in subdivision (2), the
 2 licensee shall transfer the amount of the excess to the commission for
 3 deposit in the **property tax reduction trust state general** fund.
 4 ~~established by IC 4-35-8-2.~~ The licensee shall adjust the transfers
 5 required under this section in the final month of the state fiscal year to
 6 comply with the requirements of this subsection.

7 (k) For a state fiscal year beginning after June 30, 2009, the amount
 8 of money dedicated to the purposes described in subsection (b) for a
 9 particular state fiscal year is equal to the lesser of:

10 (1) fifteen percent (15%) of the licensee's adjusted gross receipts
 11 for the state fiscal year; or

12 (2) the amount dedicated to the purposes described in subsection
 13 (b) in the previous state fiscal year increased by a percentage that
 14 does not exceed the percent of increase in the United States
 15 Department of Labor Consumer Price Index during the year
 16 preceding the year in which an increase is established.

17 If fifteen percent (15%) of a licensee's adjusted gross receipts for the
 18 state fiscal year exceeds the amount specified in subdivision (2), the
 19 licensee shall transfer the amount of the excess to the commission for
 20 deposit in the **property tax reduction trust state general** fund.
 21 ~~established by IC 4-35-8-2.~~ The licensee shall adjust the transfers
 22 required under this section in the final month of the state fiscal year to
 23 comply with the requirements of this subsection.

24 SECTION 19. IC 4-35-8-3, AS ADDED BY P.L.233-2007,
 25 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JANUARY 1, 2009]: Sec. 3. The department shall deposit tax revenue
 27 collected under section 1 of this chapter in the **property tax reduction**
 28 **trust state general** fund.

29 SECTION 20. IC 5-1-5-1, AS AMENDED BY P.L.2-2006,
 30 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2008]: Sec. 1. The following terms as used in this chapter
 32 have the following meanings:

33 (a) "Governing body" means the council, commission, board of
 34 commissioners, board of directors, board of trustees, or other
 35 legislative body in which the legislative powers of the issuing body are
 36 vested.

37 (b) "Issuing body" means the state of Indiana, its agencies,
 38 commissions, universities, colleges, institutions, political subdivisions,
 39 counties, school corporations, hospital associations, municipal and
 40 quasi-municipal corporations, special taxing districts, and any
 41 corporation which has issued bonds payable directly or indirectly from
 42 lease rentals payable by any of the foregoing issuing bodies, now or

1 hereafter existing under the laws of the state.

2 (c) "Bond" means any revenue bond, general obligation bond, or
3 advance refunding bond.

4 (d) "Revenue bond" means any bond note, warrant, certificate of
5 indebtedness, or other obligation, including a certificate or other
6 evidence of participation in the lessor's interest in and rights under a
7 lease, for the payment of money issued by an issuing body or any
8 predecessor of any issuing body which is payable from designated
9 revenues, rental payments, special benefits, taxes, or a special fund but
10 excluding any obligation constituting an indebtedness within the
11 meaning of the constitutional debt limitation and any obligation
12 payable solely from special assessments or special assessments and a
13 guaranty fund.

14 (e) "General obligation bond" means any bond, note, warrant,
15 certificate of indebtedness, or other obligation of an issuing body which
16 constitutes an indebtedness within the meaning of the constitutional
17 debt limitation.

18 (f) "Advance refunding bonds" means bonds issued for the purpose
19 of refunding bonds first subject to redemption or maturing after the
20 date of the advance refunding bonds.

21 (g) "Ordinance" means an ordinance of a city or town or resolution
22 or other instrument by which the governing body of the issuing body
23 exercising any power hereunder takes formal action and adopts
24 legislative provisions and matters of some permanency.

25 (h) "Corporation which has issued bonds" means a corporation
26 organized under IC 20-47-2 or IC 20-47-3, the laws of any state of the
27 United States of America or of the United States of America, including
28 any bank, trust company, or national association serving as a trustee
29 under an indenture providing for issuance of bonds.

30 **(i) "Local issuing body" means an issuing body that is:**

31 **(1) a political subdivision (as defined in IC 36-1-2-13);**

32 **(2) a district (as defined in IC 6-1.1-21.2-5); or**

33 **(3) a corporation or other entity that:**

34 **(A) is not a body corporate and politic established as an**
35 **instrumentality of the state; and**

36 **(B) has issued bonds that are payable directly or indirectly**
37 **from lease rentals payable by a political subdivision or**
38 **district described in subdivision (1) or (2).**

39 **(j) "Special benefit taxes" means a special tax levied and**
40 **collected on an ad valorem basis on property for the purpose of**
41 **financing local public improvements that:**

42 **(1) are not political or governmental in nature; and**

- 1 **(2) are of special benefit to the residents and property of the**
 2 **area.**
- 3 **(k) "Tax increment revenues" means an allocation of:**
- 4 **(1) ad valorem property taxes;**
 5 **(2) state or local adjusted gross income taxes; or**
 6 **(3) state or local gross retail and use taxes;**
- 7 **to a redevelopment district that is based on an increase in the**
 8 **assessed value, wages, sales, or other economic activity occurring**
 9 **in a designated area. The term includes allocations described in**
 10 **IC 5-28-26-9, IC 6-1.1-21.2-10, IC 36-7-26-10, IC 36-7-27-8,**
 11 **IC 36-7-31-6, and IC 36-7-31.3-4.**
- 12 **(l) "Redevelopment district" refers to the following:**
- 13 **(1) An airport development zone under IC 8-22-3.5.**
 14 **(2) A redevelopment district established under:**
- 15 **(A) IC 36-7-14; or**
 16 **(B) IC 36-7-15.1.**
- 17 **(3) A special taxing district described in:**
- 18 **(A) IC 36-7-14.5-12.5(d); or**
 19 **(B) IC 36-7-30-3(b).**
- 20 **(4) Another public entity to which tax increment revenues are**
 21 **allocated.**
- 22 **(m) Words used in this chapter importing singular or plural**
 23 **number may be construed so that one (1) number includes both.**
- 24 SECTION 21. IC 5-1-5-17 IS ADDED TO THE INDIANA CODE
 25 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 26 1, 2008]: **Sec. 17. (a) This section applies to bonds that are:**
- 27 **(1) issued after June 30, 2008, by a local issuing body; and**
 28 **(2) payable from ad valorem property taxes, special benefit**
 29 **taxes on property, or tax increment revenues derived from**
 30 **property taxes;**
- 31 **including bonds that are issued under a statute that permits the**
 32 **bonds to be issued without complying with any other law or**
 33 **otherwise expressly exempts the bonds from the requirements of**
 34 **this section.**
- 35 **(b) The last date permitted under an agreement for the payment**
 36 **of principal and interest on bonds that are issued to retire or**
 37 **otherwise refund other revenue bonds or general obligation bonds**
 38 **may not extend beyond the maximum term of the bonds being**
 39 **refunded.**
- 40 SECTION 22. IC 5-1-5-18 IS ADDED TO THE INDIANA CODE
 41 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 42 1, 2008]: **Sec. 18. (a) This section applies to bonds that are:**

- 1 **(1) issued after June 30, 2008, by a local issuing body; and**
 2 **(2) payable from ad valorem property taxes, special benefit**
 3 **taxes on property, or tax increment revenues derived from**
 4 **property taxes;**

5 **including bonds that are issued under a statute that permits the**
 6 **bonds to be issued without complying with any other law or**
 7 **otherwise expressly exempts the bonds from the requirements of**
 8 **this section.**

9 **(b) Savings (as computed under section 2 of this chapter) that**
 10 **accrue from the issuance of bonds to retire or otherwise refund**
 11 **other bonds may be used only for the following purposes:**

12 **(1) To maintain a debt service reserve fund for the refunding**
 13 **bonds at the level required under the terms of the refunding**
 14 **bonds, if the local issuing body adopts an ordinance,**
 15 **resolution, or order authorizing that use of the proceeds or**
 16 **earnings.**

17 **(2) To pay the principal or interest, or both, on:**

18 **(A) the refunding bonds; or**

19 **(B) other bonds, if the issuing body approves an ordinance**
 20 **authorizing the use of the savings to pay principal or**
 21 **interest on other bonds.**

22 **(3) To reduce the rate or amount of ad valorem property**
 23 **taxes, special benefit taxes on property, or tax increment**
 24 **revenues imposed by or allocated to the local issuing body.**

25 SECTION 23. IC 5-1-13-1 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. ~~As used in~~ **The**
 27 **definitions in this section apply throughout** this chapter:

28 **(1) "Bonds" has the same definition that the term is given in**
 29 **IC 5-1-11-1.**

30 **(2) "Local issuing body" has the meaning set forth in**
 31 **IC 5-1-5-1.**

32 **(3) "Political subdivision" has the same definition that the term is**
 33 **given in IC 36-1-2-13.**

34 **(4) "Special benefit taxes" has the meaning set forth in**
 35 **IC 5-1-5-1.**

36 **(5) "Tax increment revenues" has the meaning set forth in**
 37 **IC 5-1-5-1.**

38 SECTION 24. IC 5-1-13-2 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) Notwithstanding
 40 any other law, whenever:

41 **(1) bonds are issued by any ~~political subdivision~~ local issuing**
 42 **body in the state of Indiana for any lawful purpose or project;**

1 (2) the purpose or project for which the bonds were issued has
2 been accomplished or abandoned; and

3 (3) a surplus remains from the proceeds of the bonds or
4 investment earnings derived from the proceeds of those bonds;
5 the ~~political subdivision~~ **local issuing body** may use the surplus only
6 in the manner prescribed by subsection (b), ~~or~~ (c), **or (d)**.

7 (b) The legislative body **or other governing body** of any such
8 ~~political subdivision~~ **local issuing body** may by an order, ordinance, or
9 resolution entered of record direct the disbursing officer of such
10 ~~political subdivision~~ **local issuing body** to transfer the surplus bond
11 proceeds or investment earnings to the fund of the ~~political subdivision~~
12 **local issuing body** pledged to the payment of principal and interest on
13 those bonds, and upon such order, ordinance, or resolution being made,
14 the disbursing officer shall make such transfer. Thereafter such funds
15 transferred shall be used for the payment of the bonds to which the
16 surplus bond proceeds or investment earnings are attributable or
17 interest due for such bonds.

18 (c) **Surplus bond proceeds or investment earnings may be used**
19 **by a local issuing body for the following purposes:**

20 (1) **To maintain a debt service reserve fund for the bonds to**
21 **which the surplus bond proceeds or investment earnings are**
22 **attributable, at the level required under the terms of the**
23 **bonds, if the local issuing body adopts an ordinance,**
24 **resolution, or order authorizing that use of the proceeds or**
25 **earnings.**

26 (2) **To pay the principal or interest, or both, on any other**
27 **bonds of the local issuing body, if the local issuing body adopts**
28 **an ordinance, a resolution, or an order authorizing the use of**
29 **the surplus proceeds to pay principal or interest on the bonds.**

30 (3) **To reduce the rate or amount of ad valorem property**
31 **taxes, special benefit taxes on property, or tax increment**
32 **revenues imposed by or allocated to the local issuing body.**

33 ~~(c)~~ (d) **This section applies to bonds that are not payable from**
34 **ad valorem property taxes, special benefit taxes on property, or tax**
35 **increment revenues derived from property taxes.** Surplus bond
36 proceeds or investment earnings may be used by a ~~political subdivision~~
37 **local issuing body** for the same purpose or type of project for which
38 the bonds were originally issued, if:

39 (1) the fiscal officer of the ~~political subdivision~~ **local issuing**
40 **body** certifies before or at the time of that use that the surplus was
41 not anticipated at the time of issuance of the bonds; and

42 (2) the board or legislative body responsible for issuing the bonds

1 takes action approving the use of surplus bond proceeds or
 2 investment earnings for the same purpose or type of project for
 3 which the bonds were originally issued.

4 SECTION 25. IC 5-1-14-1.3 IS ADDED TO THE INDIANA CODE
 5 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 6 1, 2008]: **Sec. 1.3. The following definitions apply throughout this
 7 chapter:**

8 **(1) "Local issuing body" has the meaning set forth in
 9 IC 5-1-5-1.**

10 **(2) "Special benefit taxes" has the meaning set forth in
 11 IC 5-1-5-1.**

12 **(3) "Tax increment revenues" has the meaning set forth in
 13 IC 5-1-5-1.**

14 SECTION 26. IC 5-1-14-10 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 10. (a)** If an issuer has
 16 issued obligations under a statute that establishes a maximum term or
 17 repayment period for the obligations, notwithstanding that statute, the
 18 issuer may continue to make payments of principal, interest, or both, on
 19 the obligations after the expiration of the term or period if principal or
 20 interest owed to owners of the obligations remains unpaid.

21 **(b)** This section does not authorize the use of revenues or funds to
 22 make payments of principal and interest other than those revenues or
 23 funds that were pledged for the payments before the expiration of the
 24 term or period.

25 **(c) Except as otherwise provided by this section or
 26 IC 36-7-14-25.1, the maximum term or repayment period for
 27 obligations issued after June 30, 2008, that are wholly or partially
 28 payable from ad valorem property taxes, special benefit taxes on
 29 property, or tax increment revenues derived from property taxes
 30 may not exceed:**

31 **(1) the maximum applicable period under federal law, for
 32 obligations that are issued to evidence loans made or
 33 guaranteed by the federal government or a federal agency;**

34 **(2) twenty-five (25) years, for obligations that are wholly or
 35 partially payable from tax increment revenues derived from
 36 property taxes; or**

37 **(3) twenty (20) years, for obligations that are not described in
 38 subdivision (1) or (2) and are wholly or partially payable from
 39 ad valorem property taxes or special benefit taxes on
 40 property.**

41 SECTION 27. IC 5-1-14-15, AS ADDED BY P.L.234-2007,
 42 SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

1 JULY 1, 2008]: Sec. 15. (a) **Before July 1, 2008**, a county or
 2 municipality may issue bonds, notes, or other obligations for the
 3 purpose of providing funds to pay pension benefits under IC 36-8-6,
 4 IC 36-8-7, or IC 36-8-7.5.

5 (b) Notwithstanding any other law:

6 (1) bonds, notes, or other obligations issued for the purpose
 7 described in this section may have a final maturity date up to, but
 8 not exceeding, forty (40) years from the date of original issuance;

9 (2) the amount of bonds, notes, or other obligations that may be
 10 issued for the purpose described in this section may not exceed
 11 two percent (2%) of the true tax value of property located within
 12 the county or municipality; and

13 (3) the proceeds of bonds, notes, or other obligations issued for
 14 the purpose described in this section may be deposited to the
 15 issuing county's or municipality's separate account described in
 16 IC 5-10.3-11-6.

17 (c) This section is supplemental to all other laws but does not
 18 relieve a county or municipality from complying with other procedural
 19 requirements for the issuance of bonds, notes, or other obligations.

20 SECTION 28. IC 5-1-14-16 IS ADDED TO THE INDIANA CODE
 21 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 22 1, 2008]: **Sec. 16. (a) This section applies to obligations that are:**

23 **(1) issued after June 30, 2008, by a local issuing body; and**

24 **(2) payable from ad valorem property taxes, special benefit**
 25 **taxes on property, or tax increment revenues derived from**
 26 **property taxes;**

27 **including obligations that are issued under a statute that permits**
 28 **the bonds to be issued without complying with any other law or**
 29 **otherwise expressly exempts the bonds from the requirements of**
 30 **this section.**

31 **(b) An agreement for the issuance of obligations must provide**
 32 **for the payment of principal and interest on the obligations in**
 33 **nearly equal payment amounts and at regular designated intervals**
 34 **over the maximum term of the obligations except to the extent that:**

35 **(1) interest for a particular repayment period has been paid**
 36 **from the proceeds of the obligations under section 6 of this**
 37 **chapter; or**

38 **(2) the local issuing body authorizes a different payment**
 39 **schedule to:**

40 **(A) maintain substantially equal payments, in the**
 41 **aggregate, in any period in which the local issuing body**
 42 **pays the interest and principal on outstanding obligations;**

- 1 **(B) provide for the payment of principal on the obligations**
 2 **in amounts and at intervals that will produce an aggregate**
 3 **amount of principal payments greater than or equal to the**
 4 **aggregate amount that would otherwise be paid as of the**
 5 **same date; or**
 6 **(C) with respect to obligations wholly or partially payable**
 7 **from tax increment revenues derived from property taxes,**
 8 **provide for the payment of principal and interest in**
 9 **varying amounts over the term of the obligations as**
 10 **necessary due to the variation in the amount of tax**
 11 **increment revenues available for those payments.**

12 SECTION 29. IC 5-1-16-42 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 42. (a) When the
 14 authority, the board of trustees or board of managers of the hospital, the
 15 board of commissioners of the county, and a majority of the county
 16 council have agreed upon the terms and conditions of any lease
 17 proposed to be entered into under section 38 or 39 of this chapter, and
 18 before the final execution of the lease, the county auditor shall give
 19 notice by publication of a public hearing to be held in the county by the
 20 board of commissioners. The hearing shall take place on a day not
 21 earlier than ten (10) days after the publication of the notice. The notice
 22 of the hearing shall be published one (1) time in a newspaper of general
 23 circulation printed in the English language and published in the county.
 24 The notice shall do the following:

- 25 (1) Name the day, place, and hour of the hearing.
 26 (2) Set forth a brief summary of the principal terms of the lease
 27 agreed upon, including the character and location of the property
 28 to be leased, the lease rental to be paid, and the number of years
 29 the contract is to be in effect.
 30 (3) State a location where the proposed lease, drawings, plans,
 31 specifications, and estimates may be examined.

32 The proposed lease and the drawings, plans, specifications, and
 33 estimates of construction cost for the building shall be open to
 34 inspection by the public during the ten (10) day period and at the
 35 hearing. All interested persons shall have a right to be heard at the
 36 hearing on the necessity for the execution of the lease and whether the
 37 lease rental under the lease is fair and reasonable. The hearing may be
 38 adjourned to a later date with the place of the hearing fixed prior to
 39 adjournment. Following the hearing, the board of commissioners may
 40 either authorize the execution of the lease as originally agreed upon or
 41 may make modifications that are agreed upon by the authority, the
 42 board of trustees or board of managers of the hospital, and the county

1 council. The authorization shall be by an order that is entered in the
 2 official records of the board of commissioners. The lease contract shall
 3 be executed on behalf of the county by the board of commissioners.

4 (b) If the execution of the lease as originally agreed upon or as
 5 modified by agreement is authorized, notice of the signing of the lease
 6 shall be given on behalf of the county by publication one (1) time in a
 7 newspaper of general circulation printed in the English language and
 8 published in the county. Except as provided in subsection (d), ten (10)
 9 or more taxpayers in the county whose tax rate will be affected by the
 10 proposed lease and who may be of the opinion that no necessity exists
 11 for the execution of the lease or that the lease rental under the lease is
 12 not fair and reasonable may file a petition in the office of the county
 13 auditor within thirty (30) days after publication of notice of the
 14 execution of the lease that sets forth the taxpayers' objections and facts
 15 supporting those objections. Upon the filing of a petition, the county
 16 auditor shall immediately certify a copy of the petition together with
 17 such other data as may be necessary in order to present the questions
 18 involved to the department of local government finance. Upon receipt
 19 of the certified petition and information, the department of local
 20 government finance shall fix a time and place in the affected county for
 21 the hearing of the matter that is not less than five (5) or more than
 22 fifteen (15) days after receipt. Notice of the hearing shall be given by
 23 the department of local government finance to the board of county
 24 commissioners and to the first ten (10) taxpayer petitioners upon the
 25 petition by certified mail sent to the addresses listed on the petition at
 26 least five (5) days before the date of the hearing.

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

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

38 SECTION 30. IC 5-4-1-8 IS AMENDED TO READ AS FOLLOWS
 39 [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) The official bonds of officers,
 40 if sufficient, shall be approved as follows:

41 (1) Of county officers required to give bonds, by the clerk of the
 42 circuit court unless otherwise specified in this section.

1 (2) Of county sheriff, county coroner, county recorder, county
2 auditor, county treasurer, and clerk of the circuit court, by the
3 county executive.

4 (3) Of county assessor, township trustee, and township assessor
5 **(if any)**, by the county auditor.

6 (4) Of city officers, except the executive and members of the
7 legislative body, by the city executive.

8 (5) Of members of the board of public works or of the board of
9 public works and safety in cities, by the city legislative body.

10 (6) Of clerk-treasurer and marshal of a town, by the town
11 legislative body.

12 (7) Of a controller of a solid waste management district
13 established under IC 13-21 or IC 13-9.5 (before its repeal), by the
14 board of directors of the solid waste management district.

15 (b) A person who approves an official bond shall write the approval
16 on the bond.

17 (c) A bond must be approved before it is filed.

18 SECTION 31. IC 5-4-1-18 IS AMENDED TO READ AS
19 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 18. (a) Except as
20 provided in subsection (b), the following city, town, county, or
21 township officers and employees shall file an individual surety bond:

22 (1) City judges, controllers, clerks, and clerk-treasurers.

23 (2) Town judges and clerk-treasurers.

24 (3) Auditors, treasurers, recorders, surveyors, sheriffs, coroners,
25 assessors, and clerks.

26 (4) Township trustees. ~~and assessors.~~

27 (5) Those employees directed to file an individual bond by the
28 fiscal body of a city, town, or county.

29 **(6) Township assessors (if any).**

30 (b) The fiscal body of a city, town, county, or township may by
31 ordinance authorize the purchase of a blanket bond or a crime
32 insurance policy endorsed to include faithful performance to cover the
33 faithful performance of all employees, commission members, and
34 persons acting on behalf of the local government unit, including those
35 officers described in subsection (a).

36 (c) The fiscal bodies of the respective units shall fix the amount of
37 the bond of city controllers, city clerk-treasurers, town clerk-treasurers,
38 Barrett Law fund custodians, county treasurers, county sheriffs, circuit
39 court clerks, township trustees, and conservancy district financial
40 clerks as follows:

41 (1) The amount must equal fifteen thousand dollars (\$15,000) for
42 each one million dollars (\$1,000,000) of receipts of the officer's

1 office during the last complete fiscal year before the purchase of
2 the bond, subject to subdivision (2).

3 (2) The amount may not be less than fifteen thousand dollars
4 (\$15,000) nor more than three hundred thousand dollars
5 (\$300,000).

6 County auditors shall file bonds in amounts of not less than fifteen
7 thousand dollars (\$15,000), as fixed by the fiscal body of the county.
8 The amount of the bond of any other person required to file an
9 individual bond shall be fixed by the fiscal body of the unit at not less
10 than eight thousand five hundred dollars (\$8,500).

11 (d) A controller of a solid waste management district established
12 under IC 13-21 or IC 13-9.5 (before its repeal) shall file an individual
13 surety bond in an amount:

14 (1) fixed by the board of directors of the solid waste management
15 district; and

16 (2) that is at least fifteen thousand dollars (\$15,000).

17 (e) Except as provided under subsection (d), a person who is
18 required to file an individual surety bond by the board of directors of
19 a solid waste management district established under IC 13-21 or
20 IC 13-9.5 (before its repeal) shall file a bond in an amount fixed by the
21 board of directors.

22 (f) In 1982 and every four (4) years after that, the state examiner
23 shall review the bond amounts fixed under this section and report in an
24 electronic format under IC 5-14-6 to the general assembly whether
25 changes are necessary to ensure adequate and economical coverage.

26 (g) The commissioner of insurance shall prescribe the form of the
27 bonds or crime policies required by this section, in consultation with
28 the commission on public records under IC 5-15-5.1-6.

29 SECTION 32. IC 5-10.3-11-4 IS AMENDED TO READ AS
30 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 4. (a) Monies
31 from the pension relief fund shall be paid annually by the state board
32 under the procedures specified in this section.

33 (b) ~~Before April 1 of~~ Each year **before a date set by the state**
34 **board**, each unit of local government must certify to the state board:

35 (1) the amount of payments made during the preceding year for
36 benefits under its pension funds covered by this chapter, referred
37 to in this section as "pension payments";

38 (2) the data determined necessary by the state board to perform an
39 actuarial valuation of the unit's pension funds covered by this
40 chapter; ~~and~~

41 (3) the names required to prepare the list specified in subsection
42 (c); **and**

1 **(4) any other information that is necessary for the state board**
 2 **to make distributions to units under this chapter.**

3 A unit is ineligible to receive a distribution under this section if it does
 4 not supply before April 1 of each year (i) the complete information
 5 required by this subsection or (ii) a substantial amount of the
 6 information required if it is accompanied by an affidavit of the chief
 7 executive officer of the unit detailing the steps which have been taken
 8 to obtain the information and the reasons the complete information has
 9 not been obtained. This subsection supersedes the reporting
 10 requirement of IC 5-10-1.5 as it applies to pension funds covered by
 11 this chapter.

12 (c) ~~Before July 1 of~~ Each year **before a date set by the state board**,
 13 the state board shall prepare a list of all police officers and firefighters,
 14 active, retired, and deceased if their beneficiaries are eligible for
 15 benefits, who are members of a police or fire pension fund that was
 16 established before May 1, 1977. The list may not include police
 17 officers, firefighters, or their beneficiaries for whom no future benefits
 18 will be paid. The state board shall then compute the present value of
 19 the accrued liability to provide the pension and other benefits to each
 20 person on the list.

21 (d) ~~Before July 1 of~~ Each year **before a date set by the state board**,
 22 the state board shall determine the total pension payments made by all
 23 units of local government for the preceding year and shall estimate the
 24 total pension payments to be made to all units in the calendar year in
 25 which the July 1 occurs and in the following calendar year.

26 (e) ~~Each calendar year, the state board shall, with respect to the~~
 27 ~~following calendar year, determine for each unit of local government~~
 28 ~~an amount (D_y). The state board shall, in two (2) equal installments~~
 29 ~~before July 1 and before October 2, distribute to each eligible unit of~~
 30 ~~local government the amount (D_y) determined for the unit with respect~~
 31 ~~to the following calendar year. The amount (D_y) shall be determined by~~
 32 ~~the following STEPS:~~

33 STEP ONE: ~~Subtract the total distribution made to units (D_{y-1}) in the~~
 34 ~~preceding calendar year from the total pension payments made by units~~
 35 ~~(P_{y-1}) in the preceding calendar year:~~

36 STEP TWO: ~~Multiply the STEP ONE difference by $(1+k)$ as (k) is~~
 37 ~~determined in STEP THREE:~~

38 STEP THREE: ~~Determine the annual percentage increase (k) in the~~
 39 ~~STEP ONE difference which will allow the present value of all future~~
 40 ~~estimated distributions, as computed under STEP FOUR, from the~~
 41 ~~pension relief fund to equal the "k portion" of the pension relief fund~~
 42 ~~balance plus the present value of all future receipts to the "k portion"~~

1 of the fund; but which will not allow the "k portion" of the pension
 2 relief fund balance to be negative. These present values shall be
 3 determined based on the current long term actuarial assumptions. The
 4 "k portion" of the pension relief fund balance is the total pension relief
 5 fund balance less the "m portion" of the fund. The percentage increase
 6 (k) shall be computed to the nearest one thousandth of one percent
 7 (.001%). All years, after the year 2000, in which the receipts to the
 8 fund plus the net pension payments by all the units equal or exceed the
 9 total pension payments shall be ignored for the purposes of these
 10 calculations:

11 STEP FOUR: Subtract the STEP TWO product from the estimated
 12 total pension payments to be made by all units (P_y) in the calendar year
 13 for which the distribution is to be made:

14 STEP FIVE: Multiply the STEP FOUR difference by one-half (1/2)
 15 of the sum of two quotients; (1) the quotient of the unit's number of
 16 police officers and firefighters on December 31 of the year before the
 17 year of the distribution who are members of a pension fund established
 18 before May 1, 1977, who are retired, and who are deceased if their
 19 beneficiaries are eligible for benefits (unit) divided by the total number
 20 of these police officers and firefighters (total units) on December 31 of
 21 the year before the year of the distribution in all units plus (2) the
 22 quotient of the unit's pension payments (payments) divided by the total
 23 pension payments (total payments) by all units:

24 Expressed mathematically:

$$25 \quad D_y = (P_y - ((P_{y-1} - D_{y-1}) \times (1 + k))) \times \frac{1}{2}$$

26 (unit/(total unit) + payment/(total payment));

27 (f) If in any year the distribution made to a unit of local government
 28 is larger than the unit's pension payments to its retirees and their
 29 beneficiaries for that year, the excess may not be distributed to the unit
 30 but must be transferred to the 1977 police officers' and firefighters'
 31 pension and disability fund and the unit's contributions to that fund
 32 shall be reduced for that year by the amount of the transfer:

33 (g) If in any year after 2000, the STEP FOUR difference under
 34 subsection (e) is smaller than the revenue to the pension relief fund in
 35 that year, then the revenue plus interest plus the fund balance in that
 36 year shall be used in STEP FIVE of subsection (e) instead of the STEP
 37 FOUR difference:

38 (h) The state board shall have its actuary report annually on the
 39 appropriateness of the actuarial assumptions used in determining the
 40 distribution amount under subsection (e). At least every five (5) years,
 41 the state board shall have its actuary recompute the value of (k) under
 42 STEP TWO of subsection (e):

1 (i) Each calendar year the state board shall determine the amounts
2 to be allocated to the "m portion" of the pension relief fund under the
3 following STEPS, which shall be completed before July 1 of each year:

4 STEP ONE: The state board shall determine the following:

5 (1) "Excess earnings", which are the state board's projection of
6 earnings for the calendar year from investments of the "k portion" of
7 the fund that exceed the amount of earnings that would have been
8 earned if the rate of earnings was the rate assumed by the actuary of the
9 state board in his calculation of (k) under STEP THREE of subsection
10 (e):

11 (2) "Prior deficit amount", which is:

12 (A) the amount of earnings that would have been earned under
13 the rate assumed by the actuary of the state board in his
14 calculation of (k) under STEP THREE of subsection (e);
15 minus

16 (B) the amount of earnings received;

17 for a calendar year after 1981 in which (B) is less than (A):

18 STEP TWO: The state board shall distribute to the "m portion" the
19 excess earnings less any prior deficit amounts:

20 (j) The "m portion" of the fund shall be any direct allocations plus:

21 (1) amounts allocated under subsection (i); and

22 (2) any earnings on the "m portion" less amounts previously
23 distributed under subsection (i):

24 (k) The state board shall determine, based on actual experience and
25 reasonable projections, the units eligible for distribution from the "m
26 portion" of the pension relief fund according to the following STEPS:

27 STEP ONE: Determine the amount of pension payments to be paid
28 by the unit in the calendar year, net of the amount of the distribution to
29 be received by the unit under subsection (e) in that year, plus
30 contributions to be made under IC 36-8-8 in that year:

31 STEP TWO: Divide the amount determined under STEP ONE by
32 the amount of the maximum permissible ad valorem property tax levy
33 for the unit as determined under IC 6-1.1-18.5 for the calendar year:

34 STEP THREE: If the quotient determined under STEP TWO is
35 equal to or greater than one-tenth (0.1), the unit shall receive a
36 distribution under subsection (i):

37 (1) For a calendar year, the state board shall, before July 1 of the
38 year, distribute from the "m portion" of the pension relief fund to the
39 extent there are assets in the "m portion" to each eligible unit an
40 amount, not less than zero (0), determined according to the following
41 STEPS:

42 STEP ONE: For the first of consecutive years that a unit is eligible

1 to receive a distribution under this subsection; determine the amount
 2 of pension payments paid by the unit in the calendar year two (2) years
 3 preceding the calendar year net of the amount of distributions received
 4 by the unit under subsection (e) in the calendar year two (2) years
 5 preceding the calendar year.

6 STEP TWO: For the first of consecutive years that a unit is eligible
 7 to receive a distribution under this subsection; divide the amount
 8 determined under STEP ONE by the amount of the maximum
 9 permissible ad valorem property tax levy for the unit as determined
 10 under IC 6-1.1-18.5 for the calendar year two (2) years preceding the
 11 calendar year.

12 STEP THREE: For the first and all subsequent consecutive years
 13 that a unit is eligible to receive a distribution under this subsection;
 14 multiply the amount of the maximum permissible ad valorem property
 15 tax levy for the unit as determined under IC 6-1.1-18.5 for the calendar
 16 year by the quotient determined under STEP TWO.

17 STEP FOUR: Subtract the amount determined under STEP THREE
 18 from the amount of pension payments to be paid by the unit in the
 19 calendar year; net of distributions to be received under subsection (e)
 20 for the calendar year.

21 SECTION 33. IC 5-10.3-11-4.7, AS AMENDED BY P.L.234-2007,
 22 SECTION 277, IS AMENDED TO READ AS FOLLOWS
 23 [EFFECTIVE JANUARY 1, 2009]: Sec. 4.7. (a) In addition to the
 24 amounts distributed under sections 4 and 4.5 of this chapter; **In 2009**
 25 **and each year thereafter**, the state board shall distribute from the
 26 pension relief fund to each unit of local government an amount
 27 determined under the following STEPS:

28 STEP ONE: Determine the amount of the total amount of
 29 pension, disability, and survivor benefit payments from the
 30 **1925 police pension fund (IC 36-8-6), the 1937 firefighters'**
 31 **pension fund (IC 36-8-7), and the 1953 police pension fund**
 32 **(IC 36-8-7.5)** to be made by the unit in the calendar year, as
 33 estimated by the state board under section 4 of this chapter.

34 STEP TWO: Determine the result of:

35 (A) the STEP ONE result; multiplied by

36 (B) fifty percent (50%);

37 STEP THREE: Determine the amount to be distributed in the
 38 current calendar year to the unit of local government under
 39 section 4 of this chapter.

40 STEP FOUR: Determine the greater of zero (0) or the result of:

41 (A) the STEP TWO result; minus

42 (B) the STEP THREE result.

1 (b) The state board shall make the distributions under subsection (a)
 2 in two (2) equal installments before July 1 and before October 2 of
 3 each year.

4 **(c) An amount sufficient to make the distributions under this**
 5 **chapter is annually appropriated from the state general fund to the**
 6 **pension relief fund.**

7 ~~(c) This section expires January 1, 2011.~~

8 SECTION 34. IC 5-10.3-11-6 IS AMENDED TO READ AS
 9 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 6. (a) The state
 10 board shall maintain separate accounts for each unit of local
 11 government for purposes of this section. The accounts

12 ~~(1) are separate and distinct accounts within the public employees'~~
 13 ~~retirement fund and the pension relief fund. and~~

14 ~~(2) are not part of the "k portion" or "m portion" of the pension~~
 15 ~~relief fund.~~

16 (b) A unit of local government may do the following:

17 (1) Make deposits at any time to the separate account established
 18 for the unit under this section.

19 (2) Withdraw once each year from the unit's separate account all
 20 or a part of the balance in the account to pay pension benefits
 21 under IC 36-8-6, IC 36-8-7, or IC 36-8-7.5.

22 SECTION 35. IC 5-13-6-3 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) All taxes
 24 collected by the county treasurer shall be deposited as one (1) fund in
 25 the several depositories selected for the deposit of county funds and,
 26 except as provided in subsection (b), remain in the depositories until
 27 distributed at the following semiannual distribution made by the county
 28 auditor.

29 (b) Every county treasurer who, by virtue of the treasurer's office, is
 30 the collector of any taxes for any political subdivision wholly or partly
 31 within the county shall, not later than thirty (30) days after receipt of a
 32 written request for funds filed with the treasurer by a proper officer of
 33 any political subdivision within the county, advance to that political
 34 subdivision a portion of the taxes collected before the semiannual
 35 distribution. The amount advanced may not exceed the lesser of:

36 (1) ninety-five percent (95%) of the total amount collected at the
 37 time of the advance; or

38 (2) ninety-five percent (95%) of the amount to be distributed at
 39 the semiannual distribution.

40 ~~(c) Every county treasurer shall, not later than thirty (30) days after~~
 41 ~~receipt of a written request for funds filed with the treasurer by a proper~~
 42 ~~officer of any political subdivision within the county, advance to that~~

1 political subdivision a part of the distributions received under
 2 ~~IC 6-1.1-21-10~~ from the property tax replacement fund for the political
 3 subdivision. The amount advanced may not exceed the lesser of:

4 (1) ninety-five percent (95%) of the amount distributed from the
 5 fund to the county treasurer for the political subdivision at the
 6 time of the advance; or

7 (2) ninety-five percent (95%) of the total amount to be distributed
 8 by the county treasurer to the political subdivision on the next
 9 scheduled distribution date.

10 ~~(d)~~ (c) Upon notice from the county treasurer of the amount to be
 11 advanced, the county auditor shall draw a warrant upon the county
 12 treasurer for the amount. The amount of the advance must be available
 13 immediately for the use of the political subdivision.

14 ~~(e)~~ (d) At the semiannual distribution all the advances made to any
 15 political subdivision under subsection (b) or ~~(e)~~ shall be deducted from
 16 the total amount due any political subdivision as shown by the
 17 distribution.

18 SECTION 36. IC 5-28-9-16, AS AMENDED BY P.L.2-2006,
 19 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JANUARY 1, 2009]: Sec. 16. A qualified entity receiving a loan under
 21 this chapter may levy an annual tax on personal and real property
 22 located within the qualified entity's geographical limits for industrial
 23 development purposes, in addition to any other tax authorized by
 24 statute to be levied for such purposes, at a rate that will produce
 25 sufficient revenue to pay the annual installment and interest on a loan
 26 made under this chapter. The tax may be in addition to the maximum
 27 annual rates prescribed by IC 6-1.1-18, IC 6-1.1-18.5, ~~IC 20-45-3~~, and
 28 other statutes.

29 SECTION 37. IC 5-28-15-3, AS ADDED BY P.L.214-2005,
 30 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 3. As used in this
 32 chapter, "zone business" means an entity that accesses at least one (1)
 33 tax credit, deduction, or exemption incentive available under this
 34 chapter, ~~IC 6-1.1-20-8~~, IC 6-1.1-45, IC 6-3-3-10, IC 6-3.1-7, or
 35 IC 6-3.1-10.

36 SECTION 38. IC 5-28-15-5, AS ADDED BY P.L.214-2005,
 37 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 5. (a) The board has the
 39 following powers, in addition to other powers that are contained in this
 40 chapter:

41 (1) To review and approve or reject all applicants for enterprise
 42 zone designation, according to the criteria for designation that this

- 1 chapter provides.
- 2 (2) To waive or modify rules as provided in this chapter.
- 3 (3) To provide a procedure by which enterprise zones may be
4 monitored and evaluated on an annual basis.
- 5 (4) To adopt rules for the disqualification of a zone business from
6 eligibility for any or all incentives available to zone businesses,
7 if that zone business does not do one (1) of the following:
- 8 (A) If all its incentives, as contained in the summary required
9 under section 7 of this chapter, exceed one thousand dollars
10 (\$1,000) in any year, pay a registration fee to the board in an
11 amount equal to one percent (1%) of all its incentives.
- 12 (B) Use all its incentives, except for the amount of the
13 registration fee, for its property or employees in the zone.
- 14 (C) Remain open and operating as a zone business for twelve
15 (12) months of the assessment year for which the incentive is
16 claimed.
- 17 (5) To disqualify a zone business from eligibility for any or all
18 incentives available to zone businesses in accordance with the
19 procedures set forth in the board's rules.
- 20 (6) After a recommendation from a U.E.A., to modify a
21 enterprise zone boundary if the board determines that the
22 modification:
- 23 (A) is in the best interests of the zone; and
- 24 (B) meets the threshold criteria and factors set forth in section
25 9 of this chapter.
- 26 (7) To employ staff and contract for services.
- 27 (8) To receive funds from any source and expend the funds for the
28 administration and promotion of the enterprise zone program.
- 29 (9) To make determinations under IC 6-3.1-11 concerning the
30 designation of locations as industrial recovery sites. ~~and the~~
31 ~~availability of the credit provided by IC 6-1.1-20.7 to persons~~
32 ~~owning inventory located on an industrial recovery site.~~
- 33 (10) To make determinations under ~~IC 6-1.1-20.7 and~~ IC 6-3.1-11
34 concerning the disqualification of persons from claiming credits
35 provided by ~~those chapters that~~ **chapter** in appropriate cases.
- 36 (11) To make determinations under IC 6-3.1-11.5 concerning the
37 designation of locations as military base recovery sites and the
38 availability of the credit provided by IC 6-3.1-11.5 to persons
39 making qualified investments in military base recovery sites.
- 40 (12) To make determinations under IC 6-3.1-11.5 concerning the
41 disqualification of persons from claiming the credit provided by
42 IC 6-3.1-11.5 in appropriate cases.

1 (b) In addition to a registration fee paid under subsection (a)(4)(A),
 2 each zone business that receives an incentive described in section 3 of
 3 this chapter shall assist the zone U.E.A. in an amount determined by
 4 the legislative body of the municipality in which the zone is located. If
 5 a zone business does not assist a U.E.A., the legislative body of the
 6 municipality in which the zone is located may pass an ordinance
 7 disqualifying a zone business from eligibility for all credits or
 8 incentives available to zone businesses. If a legislative body
 9 disqualifies a zone business under this subsection, the legislative body
 10 shall notify the board, the department of local government finance, and
 11 the department of state revenue in writing not more than thirty (30)
 12 days after the passage of the ordinance disqualifying the zone business.
 13 Disqualification of a zone business under this section is effective
 14 beginning with the taxable year in which the ordinance disqualifying
 15 the zone business is adopted.

16 SECTION 39. IC 5-28-15-8, AS ADDED BY P.L.4-2005,
 17 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2008]: Sec. 8. (a) This section applies to records and other
 19 information, including records and information that are otherwise
 20 confidential, maintained by the following:

- 21 (1) The board.
- 22 (2) A U.E.A.
- 23 (3) The department of state revenue.
- 24 (4) The corporation.
- 25 (5) The department of local government finance.
- 26 (6) A county auditor.
- 27 (7) A township assessor **(if any)**.
- 28 **(8) A county assessor.**

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

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

42 SECTION 40. IC 5-28-26-18, AS ADDED BY P.L.203-2005,

1 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2008]: Sec. 18. (a) A unit may issue bonds for the purpose of
3 providing public facilities under this chapter.

4 (b) The bonds are payable from any funds available to the unit.

5 (c) The bonds shall be authorized by a resolution of the unit.

6 (d) The terms and form of the bonds shall be set out either in the
7 resolution or in a form of trust indenture approved by the resolution.

8 (e) The bonds must mature within:

9 (1) fifty (50) years, **for bonds issued before July 1, 2008; or**

10 (2) **twenty-five (25) years, for bonds issued after June 30,**
11 **2008.**

12 (f) The unit shall sell the bonds at public or private sale upon terms
13 determined by the district.

14 (g) All money received from any bonds issued under this chapter
15 shall be applied solely to the payment of the cost of providing public
16 facilities within a global commerce center, or the cost of refunding or
17 refinancing outstanding bonds, for which the bonds are issued. The cost
18 may include the cost of:

19 (1) planning and development of the public facilities and all
20 related buildings, facilities, structures, and improvements;

21 (2) acquisition of a site and clearing and preparing the site for
22 construction;

23 (3) equipment, facilities, structures, and improvements that are
24 necessary or desirable to make the public facilities suitable for use
25 and operation;

26 (4) architectural, engineering, consultant, and attorney's fees;

27 (5) incidental expenses in connection with the issuance and sale
28 of bonds;

29 (6) reserves for principal and interest;

30 (7) interest during construction and for a period thereafter
31 determined by the district, but not to exceed five (5) years;

32 (8) financial advisory fees;

33 (9) insurance during construction;

34 (10) municipal bond insurance, debt service reserve insurance,
35 letters of credit, or other credit enhancement; and

36 (11) in the case of refunding or refinancing, payment of the
37 principal of, redemption premiums, if any, for, and interest on, the
38 bonds being refunded or refinanced.

39 (h) A unit that issues bonds under this section may enter an
40 interlocal agreement with any other unit located in the area served by
41 the district in which the global commerce center is designated. A party
42 to an agreement under this section may pledge any of its revenues,

1 including taxes or allocated taxes under IC 36-7-14, to the bonds or
2 lease rental obligations of another party to the agreement.

3 SECTION 41. IC 6-1.1-1-1.5, AS AMENDED BY P.L.88-2005,
4 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2008]: Sec. 1.5. (a) "Assessing official" means:

- 6 (1) a township assessor **(if any)**;
7 **(2) a county assessor**; or
8 ~~(2)~~ **(3) a member of a county property tax assessment board of**
9 **appeals.**

10 (b) The term "assessing official" does not grant a member of the
11 county property tax assessment board of appeals primary assessing
12 functions except as may be granted to the member by law.

13 SECTION 42. IC 6-1.1-1-3, AS AMENDED BY P.L.2-2006,
14 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JANUARY 1, 2009]: Sec. 3. (a) Except as provided in subsection (b),
16 "assessed value" or "assessed valuation" means an amount equal to:

- 17 (1) for assessment dates before March 1, 2001, thirty-three and
18 one-third percent (33 1/3%) of the true tax value of property; and
19 (2) for assessment dates after February 28, 2001, the true tax
20 value of property.

21 (b) For purposes of calculating a budget, rate, or levy under
22 IC 6-1.1-17, IC 6-1.1-18, IC 6-1.1-18.5, IC 6-1.1-20, ~~IC 20-45-3,~~
23 ~~IC 20-46-4, IC 20-46-5, and IC 20-46-6,~~ "assessed value" or "assessed
24 valuation" does not include the assessed value of tangible property
25 excluded and kept separately on a tax duplicate by a county auditor
26 under IC 6-1.1-17-0.5.

27 SECTION 43. IC 6-1.1-1-8.4 IS ADDED TO THE INDIANA
28 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
29 [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: **Sec. 8.4.**

30 **"Inventory" means:**

- 31 **(1) materials held for processing or for use in production;**
32 **(2) finished or partially finished goods of a manufacturer or**
33 **processor; and**
34 **(3) property held for sale in the ordinary course of trade or**
35 **business.**

36 **The term includes items that qualify as inventory under 50**
37 **IAC 4.2-5-1 (as effective December 31, 2008).**

38 SECTION 44. IC 6-1.1-1-11, AS AMENDED BY P.L.214-2005,
39 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
40 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 11. (a) Subject to the
41 limitation contained in subsection (b), "personal property" means:

- 42 ~~(1) nursery stock that has been severed from the ground;~~

- 1 ~~(2)~~ florists' stock of growing crops which are ready for sale as pot
 2 plants on benches;
 3 ~~(3)~~ **(1)** billboards and other advertising devices which are located
 4 on real property that is not owned by the owner of the devices;
 5 ~~(4)~~ **(2)** motor vehicles, mobile houses, airplanes, boats not subject
 6 to the boat excise tax under IC 6-6-11, and trailers not subject to
 7 the trailer tax under IC 6-6-5;
 8 ~~(5)~~ **(3)** foundations (other than foundations which support a
 9 building or structure) on which machinery or equipment is
 10 installed; and
 11 ~~(6)~~ **(4)** all other tangible property (other than real property) which:
 12 is being:
 13 (A) held for sale in the ordinary course of a trade or business;
 14 (B) held, used, or consumed in connection with the production
 15 of income; or
 16 ~~(C)~~ **(A) is being** held as an investment; or
 17 **(B) is depreciable personal property.**

18 (b) Personal property does not include the following:

- 19 (1) Commercially planted and growing crops while they are in the
 20 ground.
 21 (2) Computer application software. ~~that is not held as~~
 22 **(3) Inventory. (as defined in IC 6-1.1-3-11).**

23 SECTION 45. IC 6-1.1-1-15 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 15. "Real property"
 25 means:

- 26 (1) land located within this state;
 27 (2) a building or fixture situated on land located within this state;
 28 (3) an appurtenance to land located within this state;
 29 (4) an estate in land located within this state, or an estate, right,
 30 or privilege in mines located on or minerals, including but not
 31 limited to oil or gas, located in the land, if the estate, right, or
 32 privilege is distinct from the ownership of the surface of the land;
 33 and
 34 (5) notwithstanding IC 6-6-6-7, a riverboat:
 35 (A) licensed under IC 4-33; or
 36 (B) operated under an operating agent contract under
 37 IC 4-33-6.5;

38 for which the department of local government finance shall prescribe
 39 standards to be used by ~~township assessors:~~ **assessing officials.**

40 SECTION 46. IC 6-1.1-1-22, AS AMENDED BY P.L.88-2005,
 41 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2008]: Sec. 22. "Township assessor" ~~includes:~~

1 ~~(1) an elected means a township assessor and~~

2 ~~(2) a trustee assessor.~~

3 **elected under IC 36-6-5-1.**

4 SECTION 47. IC 6-1.1-2-7 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:

6 Sec. 7. The following property is not subject to assessment and taxation
7 under this article:

8 (1) A commercial vessel that is subject to the net tonnage tax
9 imposed under IC 6-6-6.

10 (2) A motor vehicle or trailer that is subject to the annual license
11 excise tax imposed under IC 6-6-5.

12 (3) A boat that is subject to the boat excise tax imposed under
13 IC 6-6-11.

14 (4) Property used by a cemetery (as defined in IC 23-14-33-7) if
15 the cemetery:

16 (A) does not have a board of directors, board of trustees, or
17 other governing authority other than the state or a political
18 subdivision; and

19 (B) has had no business transaction during the preceding
20 calendar year.

21 (5) A commercial vehicle that is subject to the annual excise tax
22 imposed under IC 6-6-5.5.

23 **(6) Inventory.**

24 SECTION 48. IC 6-1.1-3-1 IS AMENDED TO READ AS
25 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) Except as

26 provided in subsection (c), ~~and section 11 of this chapter~~, personal
27 property which is owned by a person who is a resident of this state shall
28 be assessed at the place where the owner resides on the assessment date
29 of the year for which the assessment is made.

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

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

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

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

41 (d) If a personal property return is filed pursuant to subsection (c),
42 the owner of the property shall provide, within forty-five (45) days after

1 the filing deadline, a copy or other written evidence of the filing of the
 2 return to the assessor of the township in which the owner resides **or to**
 3 **the county assessor if there is no township assessor for the**
 4 **township.** If such evidence is not filed within forty-five (45) days after
 5 the filing deadline, the **township or county** assessor ~~of for~~ the
 6 ~~township in which area where~~ the owner resides shall determine if the
 7 owner filed a personal property return in the township **or county** where
 8 the property is situated. If such a return was filed, the property shall be
 9 assessed where it is situated. If such a return was not filed, the
 10 **township or county** assessor ~~of for~~ the ~~township area~~ where the
 11 owner resides shall notify the assessor of the township **or county**
 12 where the property is situated, and the property shall be assessed where
 13 it is situated. This subsection does not apply to a taxpayer who:

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

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

21 SECTION 49. IC 6-1.1-3-4 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4. (a) If a question
 23 arises as to the proper place to assess personal property, the county
 24 assessor shall determine the place if:

25 **(1) two (2) or more townships in the county are served by**
 26 **township assessors and the conflict involves different townships**
 27 ~~which are located within the county the assessor serves: two (2)~~
 28 **or more of those townships; or**

29 **(2) the conflict does not involve any other county and none of**
 30 **the townships in the county is served by a township assessor.**

31 If the conflict involves different counties, the department of local
 32 government finance shall determine the proper place of assessment.

33 (b) A determination made under this section by a ~~county assessor or~~
 34 the department of local government finance is final.

35 (c) If taxes are paid to a county which is not entitled to collect them,
 36 the department of local government finance may direct the authorities
 37 of the county which wrongfully collected the taxes to refund the taxes
 38 collected and any penalties charged on the taxes.

39 SECTION 50. IC 6-1.1-3-5 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. Before the
 41 assessment date of each year, the county auditor shall deliver to each
 42 township assessor **(if any) and the county assessor** the proper

1 assessment books and necessary blanks for the listing and assessment
2 of personal property.

3 SECTION 51. IC 6-1.1-3-6 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. Between the
5 assessment date and the filing date of each year, the appropriate
6 township assessor, **or the county assessor if there is no township**
7 **assessor for the township**, shall furnish each person whose personal
8 property is subject to assessment for that year with a personal property
9 return.

10 SECTION 52. IC 6-1.1-3-7 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) Except as
12 provided in subsections (b) and (d), a taxpayer shall, on or before the
13 filing date of each year, file a personal property return with:

- 14 (1) the assessor of each township in which the taxpayer's personal
15 property is subject to assessment; **or**
16 (2) **the county assessor if there is no township assessor for a**
17 **township in which the taxpayer's personal property is subject**
18 **to assessment.**

19 (b) The township assessor **or county assessor** may grant a taxpayer
20 an extension of not more than thirty (30) days to file the taxpayer's
21 return if:

- 22 (1) the taxpayer submits a written application for an extension
23 prior to the filing date; and
24 (2) the taxpayer is prevented from filing a timely return because
25 of sickness, absence from the county, or any other good and
26 sufficient reason.

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

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

- 34 (1) ~~a taxpayer has personal property subject to assessment in~~
35 ~~more than one (1) township in a county; and~~
36 (2) ~~the total assessed value of the personal property in the county~~
37 ~~is less than one million five hundred thousand dollars~~
38 ~~(\$1,500,000); ~~A~~~~

39 ~~the taxpayer filing a consolidated return shall file a single return with~~
40 ~~the county assessor and attach a schedule listing, by township, all the~~
41 ~~taxpayer's personal property and the property's assessed value. ~~A~~~~
42 ~~taxpayer filing a consolidated return is not required to file a personal~~

1 property return with the assessor of each township. ~~A~~ **The** taxpayer
 2 filing a consolidated return shall provide the following: (1) the county
 3 assessor with the information necessary for the county assessor to
 4 allocate the assessed value of the taxpayer's personal property among
 5 the townships listed on the return, including the street address, the
 6 township, and the location of the property.

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

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

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

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

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

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

27 SECTION 53. IC 6-1.1-3-14 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 14. The township
 29 assessor, **or the county assessor if there is no township assessor for**
 30 **the township**, shall:

31 (1) examine and verify; or

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

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

39 SECTION 54. IC 6-1.1-3-15 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 15. (a) In connection
 41 with the activities required by section 14 of this chapter, or if a person
 42 owning, holding, possessing, or controlling any personal property fails

1 to file a personal property return with the township **or county** assessor
 2 as required by this chapter, the township **or county** assessor may
 3 examine:

- 4 (1) the personal property of the person;
- 5 (2) the books and records of the person; and
- 6 (3) under oath, the person or any other person whom the assessor
 7 believes has knowledge of the amount, identity, or value of the
 8 personal property reported or not reported by the person on a
 9 return.

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

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

20 SECTION 55. IC 6-1.1-3-16 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 16. If, from the
 22 evidence before ~~him~~, a township **or county assessor**, ~~the~~ assessor
 23 determines that a person has temporarily converted any part of ~~his~~ **the**
 24 **person's** personal property into property which is not taxable under
 25 this article to avoid the payment of taxes on the converted property, the
 26 township **or county** assessor shall assess the converted property to the
 27 taxpayer.

28 SECTION 56. IC 6-1.1-3-17 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 17. (a) On or before
 30 June 1 of each year, each township assessor (**if any**) of a county shall
 31 deliver to the county assessor a list which states by taxing district the
 32 total of the personal property assessments as shown on the personal
 33 property returns filed with the **township** assessor on or before the filing
 34 date of that year and in a county with a township assessor under
 35 IC 36-6-5-1 in every township the township assessor shall deliver the
 36 lists to the county auditor as prescribed in subsection (b).

37 (b) On or before July 1 of each year, each county assessor shall
 38 certify to the county auditor the assessment value of the personal
 39 property in every taxing district.

40 (c) The department of local government finance shall prescribe the
 41 forms required by this section.

42 SECTION 57. IC 6-1.1-3-18, AS AMENDED BY P.L.219-2007,

1 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2008]: Sec. 18. (a) Each township assessor of a county (**if**
3 **any**) shall periodically report to the county assessor and the county
4 auditor with respect to the returns and properties of taxpayers which
5 the township assessor has examined. The township assessor shall
6 submit these reports in the form and on the dates prescribed by the
7 department of local government finance.

8 (b) ~~Each year, on or before the time prescribed by the department of~~
9 ~~local government finance, each township assessor of a county shall~~
10 ~~deliver to the county assessor a copy of each business personal property~~
11 ~~return which the taxpayer is required to file in duplicate under section~~
12 ~~7(c) of this chapter and a copy of any supporting data supplied by the~~
13 ~~taxpayer with the return.~~ Each year, the county assessor:

14 (1) shall review and may audit ~~those~~ **the business personal**
15 **property** returns **that the taxpayer is required to file in**
16 **duplicate under section 7(c) of this chapter;** and

17 (2) shall determine the returns in which the assessment appears to
18 be improper.

19 SECTION 58. IC 6-1.1-3-19 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 19. (a) While a county
21 property tax assessment board of appeals is in session, each township
22 assessor of the county (**if any**) shall make the following information
23 available to the county assessor and the board:

24 (1) Personal property returns.

25 (2) Documents related to the returns. ~~and~~

26 (3) Any information in the possession of the **township** assessor
27 **which that** is related to the identity of the owners or possessors of
28 property or the values of property.

29 (b) Upon written request of the board, the township assessor shall
30 furnish ~~this~~ information **referred to in subsection (a)** to any member
31 of the board either directly or through employees of the board.

32 SECTION 59. IC 6-1.1-3-20 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 20. If an assessing
34 official ~~or board~~ changes a valuation made by a person on ~~his~~ **the**
35 **person's** personal property return or adds personal property and its
36 value to a return, the assessing official ~~or board~~ shall, by mail,
37 immediately give the person notice of the action taken. However, if a
38 taxpayer lists property on ~~his~~ **the taxpayer's** return but does not place
39 a value on the property, a notice of the action of an assessing official
40 ~~or board~~ in placing a value on the property is not required.

41 SECTION 60. IC 6-1.1-3-21 IS AMENDED TO READ AS
42 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 21. (~~a~~) Subject to the

1 limitations ~~contained~~ in IC 6-1.1-35-9, assessment returns, lists, and
 2 any other documents and information related to the determination of
 3 personal property assessments shall be preserved as public records and
 4 open to public inspection. The township assessor, **or the county**
 5 **assessor if there is no township assessor for the township**, shall
 6 preserve and maintain these records. ~~if quarters for his office are~~
 7 ~~provided in the county court house; or a branch thereof.~~ If quarters are
 8 not provided for the township assessor, he shall, as soon as he
 9 completes his audit of a return, deliver the return and all related
 10 documents and information to the county assessor, and the county
 11 assessor shall maintain and preserve the items. The township assessor
 12 shall ensure that the county assessor has full access to the assessment
 13 records maintained by the township assessor.

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

19 SECTION 61. IC 6-1.1-4-4, AS AMENDED BY P.L.228-2005,
 20 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2008]: Sec. 4. (a) A general reassessment, involving a
 22 physical inspection of all real property in Indiana, shall begin July 1,
 23 2000, and be the basis for taxes payable in 2003.

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

27 (1) shall be completed on or before March 1 of the year that
 28 succeeds by two (2) years the year in which the general
 29 reassessment begins; and

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

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

38 SECTION 62. IC 6-1.1-4-4.7, AS ADDED BY P.L.228-2005,
 39 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JULY 1, 2008]: Sec. 4.7. (a) For purposes of this section, "assessor"
 41 means:

42 (1) a township assessor; or

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

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

7 SECTION 63. IC 6-1.1-4-12.4 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 12.4. (a) For purposes
9 of this section, the term "oil or gas interest" includes but is not limited
10 to:

- 11 (1) royalties;
12 (2) overriding royalties;
13 (3) mineral rights; or
14 (4) working interest;

15 in any oil or gas located on or beneath the surface of land which lies
16 within this state.

17 (b) Oil or gas interest is subject to assessment and taxation as real
18 property. Notwithstanding ~~the provisions of IC 1971, 6-1.1-4-4,~~ **section**
19 **4 of this chapter**, each oil or gas interest shall be assessed annually by
20 the assessor of the township in which the oil or gas is located, **or the**
21 **county assessor if there is no township assessor for the township.**
22 The township **or county** assessor shall assess the oil or gas interest to
23 the person who owns or operates the interest.

24 (c) A piece of equipment is an appurtenance to land if it is incident
25 to and necessary for the production of oil and gas from the land
26 covered by the oil or gas interest. This equipment includes but is not
27 limited to wells, pumping units, lines, treaters, separators, tanks, and
28 secondary recovery facilities. These appurtenances are subject to
29 ~~assessment~~ **assessment** as real property. Notwithstanding ~~the provisions~~
30 ~~of IC 1971, 6-1.1-4-4,~~ **section 4 of this chapter**, each of these
31 appurtenances shall be assessed annually by the assessor of the
32 township in which the appurtenance is located, **or the county assessor**
33 **if there is no township assessor for the township.** The township **or**
34 **county** assessor shall assess the appurtenance to the person who owns
35 or operates the working interest in the oil or gas interest.

36 SECTION 64. IC 6-1.1-4-12.6 IS AMENDED TO READ AS
37 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 12.6. (a) For purposes
38 of this section, the term "secondary recovery method" includes but is
39 not limited to the stimulation of oil production by means of the
40 injection of water, steam, hydrocarbons, or chemicals, or by means of
41 in situ combustion.

42 (b) The total assessed value of all interests in the oil located on or

1 beneath the surface of a particular tract of land equals the product of:
 2 (1) the average daily production of the oil; multiplied by
 3 (2) three hundred sixty-five (365); and multiplied by
 4 (3) the posted price of oil on the assessment date.

5 However, if the oil is being extracted by use of a secondary recovery
 6 method, the total assessed value of all interests in the oil equals
 7 one-half (1/2) the assessed value computed under the formula
 8 prescribed in this subsection. The appropriate township assessor (**if**
 9 **any**), **or the county assessor if there is no township assessor for the**
 10 **township**, shall, in the manner prescribed by the department of local
 11 government finance, apportion the total assessed value of all interests
 12 in the oil among the owners of those interests.

13 (c) The appropriate township assessor, **or the county assessor if**
 14 **there is no township assessor for the township**, shall, in the manner
 15 prescribed by the department of local government finance, determine
 16 and apportion the total assessed value of all interests in the gas located
 17 beneath the surface of a particular tract of land.

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

21 SECTION 65. IC 6-1.1-4-13.6 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 13.6. (a) The township
 23 assessor, **or the county assessor if there is no township assessor for**
 24 **the township**, shall determine the values of all classes of commercial,
 25 industrial, and residential land (including farm homesites) in the
 26 township **or county** using guidelines determined by the department of
 27 local government finance. Not later than November 1 of the year
 28 preceding the year in which a general reassessment becomes effective,
 29 the assessor determining the values of land shall submit the values to
 30 the county property tax assessment board of appeals. Not later than
 31 December 1 of the year preceding the year in which a general
 32 reassessment becomes effective, the county property tax assessment
 33 board of appeals shall hold a public hearing in the county concerning
 34 those values. The property tax assessment board of appeals shall give
 35 notice of the hearing in accordance with IC 5-3-1 and shall hold the
 36 hearing after March 31 and before December 1 of the year preceding
 37 the year in which the general reassessment under ~~IC 6-1.1-4-4~~ **section**
 38 **4 of this chapter** becomes effective.

39 (b) The county property tax assessment board of appeals shall
 40 review the values submitted under subsection (a) and may make any
 41 modifications it considers necessary to provide uniformity and equality.
 42 The county property tax assessment board of appeals shall coordinate

1 the valuation of property adjacent to the boundaries of the county with
 2 the county property tax assessment boards of appeals of the adjacent
 3 counties using the procedures adopted by rule under IC 4-22-2 by the
 4 department of local government finance. If the county assessor ~~or~~
 5 ~~township assessor~~ fails to submit land values under subsection (a) to
 6 the county property tax assessment board of appeals before November
 7 1 of the year before the date the general reassessment under
 8 ~~IC 6-1.1-4-4~~ **section 4 of this chapter** becomes effective, the county
 9 property tax assessment board of appeals shall determine the values. If
 10 the county property tax assessment board of appeals fails to determine
 11 the values before the general reassessment becomes effective, the
 12 department of local government finance shall determine the values.

13 (c) The county assessor shall notify all township assessors in the
 14 county **(if any)** of the values as modified by the county property tax
 15 assessment board of appeals. ~~Township assessors~~ **Assessing officials**
 16 shall use the values determined under this section.

17 SECTION 66. IC 6-1.1-4-15 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 15. (a) If real property
 19 is subject to assessment or reassessment under this chapter, the
 20 assessor of the township in which the property is located, **or the**
 21 **county assessor if there is no township assessor for the township,**
 22 shall either appraise the property ~~himself~~ or have it appraised.

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

30 SECTION 67. IC 6-1.1-4-16, AS AMENDED BY P.L.228-2005,
 31 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2008]: Sec. 16. (a) For purposes of making a general
 33 reassessment of real property or annual adjustments under section 4.5
 34 of this chapter, ~~any~~ **a township assessor (if any)** and ~~any~~ **a county**
 35 assessor may employ:

- 36 (1) deputies;
 37 (2) employees; and
 38 (3) technical advisors who are:
 39 (A) qualified to determine real property values;
 40 (B) professional appraisers certified under 50 IAC 15; and
 41 (C) employed either on a full-time or a part-time basis, subject
 42 to sections 18.5 and 19.5 of this chapter.

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

4 SECTION 68. IC 6-1.1-4-17, AS AMENDED BY P.L.228-2005,
 5 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2008]: Sec. 17. (a) Subject to the approval of the department
 7 of local government finance and the requirements of section 18.5 of
 8 this chapter, a

9 (1) township assessor; or

10 (2) group consisting of the county assessor and the township
 11 assessors in a county;

12 may employ professional appraisers as technical advisors **for**
 13 **assessments in all townships in the county. The department of local**
 14 **government finance may approve employment under this**
 15 **subsection only if the department is a party to the employment**
 16 **contract.**

17 (b) A decision by one (1) or more assessors referred to in
 18 subdivisions (1) and (2) a county assessor to not employ a professional
 19 appraiser as a technical advisor in a general reassessment is subject to
 20 approval by the department of local government finance.

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

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

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

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

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

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

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

42 SECTION 69. IC 6-1.1-4-18.5 IS AMENDED TO READ AS

1 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 18.5. (a) A ~~township~~
 2 ~~assessor; a group of township assessors; or the~~ county assessor may not
 3 use the services of a professional appraiser for assessment or
 4 reassessment purposes without a written contract. The contract used
 5 must be either a standard contract developed by the ~~state board of tax~~
 6 ~~commissioners (before the board was abolished) or the~~ department of
 7 local government finance or a contract ~~which that~~ has been specifically
 8 approved by the ~~board or the~~ department. The department shall ensure
 9 that the contract:

10 (1) includes all of the provisions required under section 19.5(b)
 11 of this chapter; and

12 (2) adequately provides for the creation and transmission of real
 13 property assessment data in the form required by the legislative
 14 services agency and the division of data analysis of the
 15 department.

16 (b) No contract shall be made with any professional appraiser to act
 17 as technical advisor in the assessment of property, before the giving of
 18 notice and the receiving of bids from anyone desiring to furnish this
 19 service. Notice of the time and place for receiving bids for the contract
 20 shall be given by publication by one (1) insertion in two (2) newspapers
 21 of general circulation published in the county and representing each of
 22 the two (2) leading political parties in the county. ~~or~~ If only one (1)
 23 newspaper is there published, notice in that one (1) newspaper is
 24 sufficient to comply with the requirements of this subsection. The
 25 contract shall be awarded to the lowest and best bidder who meets all
 26 requirements under law for entering a contract to serve as technical
 27 advisor in the assessment of property. However, any and all bids may
 28 be rejected, and new bids may be asked.

29 (c) The county council of each county shall appropriate the funds
 30 needed to meet the obligations created by a professional appraisal
 31 services contract which is entered into under this chapter.

32 SECTION 70. IC 6-1.1-4-19.5 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 19.5. (a) The
 34 department of local government finance shall develop a standard
 35 contract or standard provisions for contracts to be used in securing
 36 professional appraising services.

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

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

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

- 1 (3) a provision requiring the appraiser, or appraisal firm, to make
 2 periodic reports to the ~~township assessors involved;~~ **county**
 3 **assessor;**
 4 (4) a provision stipulating the manner in which, and the time
 5 intervals at which, the periodic reports referred to in subdivision
 6 (3) of this subsection are to be made;
 7 (5) a precise stipulation of what service or services are to be
 8 provided and what class or classes of property are to be appraised;
 9 (6) a provision stipulating that the contractor will generate
 10 complete parcel characteristics and parcel assessment data in a
 11 manner and format acceptable to the legislative services agency
 12 and the department of local government finance; ~~and~~
 13 (7) a provision stipulating that the legislative services agency and
 14 the department of local government finance have unrestricted
 15 access to the contractor's work product under the contract; **and**
 16 **(8) a provision stating that the department of local**
 17 **government finance is a party to the contract.**

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

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

- 23 (1) one (1) or more model contracts;
 24 (2) one (1) contract with alternate provisions; or
 25 (3) any combination of subdivisions (1) and (2).

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

28 SECTION 71. IC 6-1.1-4-20 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 20. The department of
 30 local government finance may establish a period with respect to each
 31 general reassessment that is the only time during which a ~~township or~~
 32 ~~county~~ assessor may enter into a contract with a professional appraiser.
 33 The period set by the department of local government finance may not
 34 begin before January 1 of the year the general reassessment begins. If
 35 no period is established by the department of local government finance,
 36 a ~~township or~~ county assessor may enter into such a contract only on or
 37 after January 1 and before April 16 of the year in which the general
 38 reassessment is to commence.

39 SECTION 72. IC 6-1.1-4-21 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 21. (a) If, during a
 41 period of general reassessment, a ~~township~~ **county** assessor **personally**
 42 makes the real property appraisals, ~~himself,~~ the appraisals of the

1 parcels subject to taxation must be completed as follows:

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

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

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

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

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

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

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

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

28 (4) The appraisals for all the parcels shall be reported before
29 March 1 of the second year following the year in which the
30 general reassessment begins.

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

34 SECTION 73. IC 6-1.1-4-22 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 22. (a) If any assessing
36 official ~~or any county property tax assessment board of appeals~~
37 assesses or reassesses any real property under ~~the provisions of this~~
38 article, the official ~~or county property tax assessment board of appeals~~
39 shall give notice to the taxpayer and the county assessor, by mail, of the
40 amount of the assessment or reassessment.

41 (b) During a period of general reassessment, each township ~~or~~
42 **county** assessor shall mail the notice required by this section within

1 ninety (90) days after ~~he~~ **the assessor:**

- 2 (1) completes ~~his~~ **the** appraisal of a parcel; or
 3 (2) receives a report for a parcel from a professional appraiser or
 4 professional appraisal firm.

5 SECTION 74. IC 6-1.1-4-25, AS AMENDED BY P.L.177-2005,
 6 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2008]: Sec. 25. (a) Each township assessor **and each county**
 8 **assessor** shall keep the assessor's reassessment data and records current
 9 by securing the necessary field data and by making changes in the
 10 assessed value of real property as changes occur in the use of the real
 11 property. The township **or county** assessor's records shall at all times
 12 show the assessed value of real property in accordance with ~~the~~
 13 ~~provisions of~~ this chapter. The township assessor shall ensure that the
 14 county assessor has full access to the assessment records maintained by
 15 the township assessor.

16 (b) The township assessor **(if any)** in a county having a consolidated
 17 city, **the county assessor if there are no township assessors in a**
 18 **county having a consolidated city**, or the county assessor in every
 19 other county, shall:

- 20 (1) maintain an electronic data file of:
 21 (A) the parcel characteristics and parcel assessments of all
 22 parcels; and
 23 (B) the personal property return characteristics and
 24 assessments by return;
 25 for each township in the county as of each assessment date;
 26 (2) maintain the electronic file in a form that formats the
 27 information in the file with the standard data, field, and record
 28 coding required and approved by:
 29 (A) the legislative services agency; and
 30 (B) the department of local government finance;
 31 (3) transmit the data in the file with respect to the assessment date
 32 of each year before October 1 of the year to:
 33 (A) the legislative services agency; and
 34 (B) the department of local government finance;
 35 in a manner that meets the data export and transmission
 36 requirements in a standard format, as prescribed by the office of
 37 technology established by IC 4-13.1-2-1 and approved by the
 38 legislative services agency; and
 39 (4) resubmit the data in the form and manner required under this
 40 subsection, upon request of the legislative services agency or the
 41 department of local government finance, if data previously
 42 submitted under this subsection does not comply with the

1 requirements of this subsection, as determined by the legislative
 2 services agency or the department of local government finance.
 3 An electronic data file maintained for a particular assessment date may
 4 not be overwritten with data for a subsequent assessment date until a
 5 copy of an electronic data file that preserves the data for the particular
 6 assessment date is archived in the manner prescribed by the office of
 7 technology established by IC 4-13.1-2-1 and approved by the
 8 legislative services agency.

9 SECTION 75. IC 6-1.1-4-27.5, AS AMENDED BY P.L.219-2007,
 10 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2008]: Sec. 27.5. (a) The auditor of each county shall establish
 12 a property reassessment fund. The county treasurer shall deposit all
 13 collections resulting from the property taxes that the county levies for
 14 the county's property reassessment fund.

15 (b) With respect to the general reassessment of real property that is
 16 to commence on July 1, 2009, the county council of each county shall,
 17 for property taxes due in 2006, 2007, 2008, and 2009, levy in each year
 18 against all the taxable property in the county an amount equal to
 19 one-fourth (1/4) of the remainder of:

- 20 (1) the estimated costs referred to in section 28.5(a) of this
 21 chapter; minus
 22 (2) the amount levied under this section by the county council for
 23 property taxes due in 2004 and 2005.

24 (c) With respect to a general reassessment of real property that is to
 25 commence on July 1, 2014, and each fifth year thereafter, the county
 26 council of each county shall, for property taxes due in the year that the
 27 general reassessment is to commence and the four (4) years preceding
 28 that year, levy against all the taxable property in the county an amount
 29 equal to one-fifth (1/5) of the estimated costs of the general
 30 reassessment under section 28.5 of this chapter.

31 (d) The department of local government finance shall give to each
 32 county council notice, before January 1 in a year, of the tax levies
 33 required by this section for that year.

34 (e) The department of local government finance may raise or lower
 35 the property tax levy under this section for a year if the department
 36 determines it is appropriate because the estimated cost of:

- 37 (1) a general reassessment; or
 38 (2) making annual adjustments under section 4.5 of this chapter;
 39 has changed.

40 (f) The county assessor ~~or township assessor~~ may petition the county
 41 fiscal body to increase the levy under subsection (b) or (c) to pay for
 42 the costs of:

- 1 (1) a general reassessment;
 2 (2) verification under 50 IAC 21-3-2 of sales disclosure forms
 3 forwarded to
 4 ~~(A) the county assessor or~~
 5 ~~(B) township assessors;~~
 6 under IC 6-1.1-5.5-3; or
 7 (3) processing annual adjustments under section 4.5 of this
 8 chapter.

9 The assessor must document the needs and reasons for the increased
 10 funding.

11 (g) If the county fiscal body denies a petition under subsection (f),
 12 the **county** assessor may appeal to the department of local government
 13 finance. The department of local government finance shall:

- 14 (1) hear the appeal; and
 15 (2) determine whether the additional levy is necessary.

16 SECTION 76. IC 6-1.1-4-28.5, AS AMENDED BY P.L.219-2007,
 17 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2008]: Sec. 28.5. (a) Money assigned to a property
 19 reassessment fund under section 27.5 of this chapter may be used only
 20 to pay the costs of:

- 21 (1) the general reassessment of real property, including the
 22 computerization of assessment records;
 23 (2) payments to ~~county assessors; members of property tax~~
 24 ~~assessment boards of appeals;~~ or assessing officials **and hearing**
 25 **officers for county property tax assessment boards of appeals**
 26 under IC 6-1.1-35.2;
 27 (3) the development or updating of detailed soil survey data by
 28 the United States Department of Agriculture or its successor
 29 agency;
 30 (4) the updating of plat books;
 31 (5) payments for the salary of permanent staff or for the
 32 contractual services of temporary staff who are necessary to assist
 33 ~~county assessors; members of a county property tax assessment~~
 34 ~~board of appeals; and~~ assessing officials;
 35 (6) making annual adjustments under section 4.5 of this chapter;
 36 and
 37 (7) the verification under 50 IAC 21-3-2 of sales disclosure forms
 38 forwarded to:
 39 (A) the county assessor; or
 40 (B) township assessors **(if any)**;
 41 under IC 6-1.1-5.5-3.

42 Money in a property tax reassessment fund may not be transferred or

1 reassigned to any other fund and may not be used for any purposes
2 other than those set forth in this section.

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

5 (c) The county treasurer of each county shall, in accordance with
6 IC 5-13-9, invest any money accumulated in the property reassessment
7 fund. Any interest received from investment of the money shall be paid
8 into the property reassessment fund.

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

15 SECTION 77. IC 6-1.1-4-29 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 29. (a) The expenses
17 of a reassessment, except those incurred by the department of local
18 government finance in performing its normal functions, shall be paid
19 by the county in which the reassessed property is situated. These
20 expenses, except for the expenses of a general reassessment, shall be
21 paid from county funds. The county auditor shall issue warrants for the
22 payment of reassessment expenses. No prior appropriations are
23 required in order for the auditor to issue warrants.

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

30 SECTION 78. IC 6-1.1-4-31, AS AMENDED BY P.L.228-2005,
31 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
32 JULY 1, 2008]: Sec. 31. (a) The department of local government
33 finance shall periodically check the conduct of:

- 34 (1) a general reassessment of property;
35 (2) work required to be performed by local officials under 50
36 IAC 21; and
37 (3) other property assessment activities in the county, as
38 determined by the department.

39 The department of local government finance may inform township
40 assessors **(if any)**, county assessors, and the presidents of county
41 councils in writing if its check reveals that the general reassessment or
42 other property assessment activities are not being properly conducted,

1 work required to be performed by local officials under 50 IAC 21 is not
 2 being properly conducted, or property assessments are not being
 3 properly made.

4 (b) The failure of the department of local government finance to
 5 inform local officials under subsection (a) shall not be construed as an
 6 indication by the department that:

7 (1) the general reassessment or other property assessment
 8 activities are being properly conducted;

9 (2) work required to be performed by local officials under 50
 10 IAC 21 is being properly conducted; or

11 (3) property assessments are being properly made.

12 (c) If the department of local government finance:

13 (1) determines under subsection (a) that a general reassessment
 14 or other assessment activities for a general reassessment year or
 15 any other year are not being properly conducted; and

16 (2) informs:

17 (A) the township assessor (**if any**) of each affected township;

18 (B) the county assessor; and

19 (C) the president of the county council;

20 in writing under subsection (a);

21 the department may order a state conducted assessment or reassessment
 22 under section 31.5 of this chapter to begin not less than sixty (60) days
 23 after the date of the notice under subdivision (2). If the department
 24 determines during the period between the date of the notice under
 25 subdivision (2) and the proposed date for beginning the state conducted
 26 assessment or reassessment that the general reassessment or other
 27 assessment activities for the general reassessment are being properly
 28 conducted, the department may rescind the order.

29 (d) If the department of local government finance:

30 (1) determines under subsection (a) that work required to be
 31 performed by local officials under 50 IAC 21 is not being
 32 properly conducted; and

33 (2) informs:

34 (A) the township assessor of each affected township (**if any**);

35 (B) the county assessor; and

36 (C) the president of the county council;

37 in writing under subsection (a);

38 the department may conduct the work or contract to have the work
 39 conducted to begin not less than sixty (60) days after the date of the
 40 notice under subdivision (2). If the department determines during the
 41 period between the date of the notice under subdivision (2) and the
 42 proposed date for beginning the work or having the work conducted

1 that work required to be performed by local officials under 50 IAC 21
2 is being properly conducted, the department may rescind the order.

3 (e) If the department of local government finance contracts to have
4 work conducted under subsection (d), the department shall forward the
5 bill for the services to the county and the county shall pay the bill under
6 the same procedures that apply to county payments of bills for
7 assessment or reassessment services under section 31.5 of this chapter.

8 **(f) A county council president who is informed by the**
9 **department of local government finance under subsection (a) shall**
10 **provide the information to the board of county commissioners. A**
11 **board of county commissioners that receives information under**
12 **this subsection may adopt an ordinance to do either or both of the**
13 **following:**

14 **(1) Determine that:**

15 **(A) the information indicates that the county assessor has**
16 **failed to perform adequately the duties of county assessor;**
17 **and**

18 **(B) by that failure the county assessor forfeits the office of**
19 **county assessor and is subject to removal from office by an**
20 **information filed under IC 34-17-2-1(b).**

21 **(2) Determine that:**

22 **(A) the information indicates that one (1) or more**
23 **township assessors in the county have failed to perform**
24 **adequately the duties of township assessor; and**

25 **(B) by that failure the township assessor or township**
26 **assessors forfeit the office of township assessor and are**
27 **subject to removal from office by an information filed**
28 **under IC 34-17-2-1(b).**

29 **(g) A city-county council that is informed by the department of**
30 **local government finance under subsection (a) may adopt an**
31 **ordinance making the determination or determinations referred to**
32 **in subsection (f).**

33 SECTION 79. IC 6-1.1-4-31.5, AS ADDED BY P.L.228-2005,
34 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JANUARY 1, 2009]: Sec. 31.5. ~~(a) As used in this section, "assessment~~
36 ~~official" means any of the following:~~

37 ~~(1) A county assessor.~~

38 ~~(2) A township assessor.~~

39 ~~(3) A township trustee-assessor.~~

40 ~~(b) (a)~~ **(a)** As used in this section, "department" refers to the department
41 of local government finance.

42 ~~(c) (b)~~ **(b)** If the department makes a determination and informs local

1 officials under section 31(c) of this chapter, the department may order
 2 a state conducted assessment or reassessment in the county subject to
 3 the time limitation in that subsection.

4 ~~(d)~~ **(c)** If the department orders a state conducted assessment or
 5 reassessment in a county, the department shall assume the duties of the
 6 ~~county's assessment officials;~~ **county assessor**. Notwithstanding
 7 sections 15 and 17 of this chapter, ~~an assessment official in~~ a county
 8 **assessor** subject to an order issued under this section may not assess
 9 property or have property assessed for the assessment or general
 10 reassessment. Until the state conducted assessment or reassessment is
 11 completed under this section, the assessment or reassessment duties of
 12 ~~an assessment official in~~ the county **assessor** are limited to providing
 13 the department or a contractor of the department the support and
 14 information requested by the department or the contractor.

15 ~~(e)~~ **(d)** Before assuming the duties of a ~~county's assessment officials;~~
 16 **county assessor**, the department shall transmit a copy of the
 17 department's order requiring a state conducted assessment or
 18 reassessment to the ~~county's assessment officials;~~ **county assessor**, the
 19 county fiscal body, the county auditor, and the county treasurer. Notice
 20 of the department's actions must be published one (1) time in a
 21 newspaper of general circulation published in the county. The
 22 department is not required to conduct a public hearing before taking
 23 action under this section.

24 ~~(f) Township and county officials in~~ **(e)** A county **assessor** subject
 25 to an order issued under this section shall, at the request of the
 26 department or the department's contractor, make available and provide
 27 access to all:

- 28 (1) data;
- 29 (2) records;
- 30 (3) maps;
- 31 (4) parcel record cards;
- 32 (5) forms;
- 33 (6) computer software systems;
- 34 (7) computer hardware systems; and
- 35 (8) other information;

36 related to the assessment or reassessment of real property in the county.
 37 The information described in this subsection must be provided at no
 38 cost to the department or the contractor of the department. A failure to
 39 provide information requested under this subsection constitutes a
 40 failure to perform a duty related to an assessment or a general
 41 reassessment and is subject to IC 6-1.1-37-2.

42 ~~(g)~~ **(f)** The department may enter into a contract with a professional

1 appraising firm to conduct an assessment or reassessment under this
 2 section. If a county ~~or a township located in the county~~ entered into a
 3 contract with a professional appraising firm to conduct the county's
 4 assessment or reassessment before the department orders a state
 5 conducted assessment or reassessment in the county under this section,
 6 the contract:

- 7 (1) is as valid as if it had been entered into by the department; and
- 8 (2) shall be treated as the contract of the department.

9 ~~(h)~~ (g) After receiving the report of assessed values from the
 10 appraisal firm acting under a contract described in subsection ~~(g)~~; (f),
 11 the department shall give notice to the taxpayer and the county
 12 assessor, by mail, of the amount of the assessment or reassessment. The
 13 notice of assessment or reassessment:

- 14 (1) is subject to appeal by the taxpayer under section 31.7 of this
 15 chapter; and
- 16 (2) must include a statement of the taxpayer's rights under section
 17 31.7 of this chapter.

18 ~~(i)~~ (h) The department shall forward a bill for services provided
 19 under a contract described in subsection ~~(g)~~ (f) to the auditor of the
 20 county in which the state conducted reassessment occurs. The county
 21 shall pay the bill under the procedures prescribed by subsection ~~(j)~~; (i).

22 ~~(j)~~ (i) A county subject to an order issued under this section shall
 23 pay the cost of a contract described in subsection ~~(g)~~; (f), without
 24 appropriation, from the county property reassessment fund. A
 25 contractor may periodically submit bills for partial payment of work
 26 performed under the contract. Notwithstanding any other law, a
 27 contractor is entitled to payment under this subsection for work
 28 performed under a contract if the contractor:

- 29 (1) submits to the department a fully itemized, certified bill in the
 30 form required by IC 5-11-10-1 for the costs of the work performed
 31 under the contract;
- 32 (2) obtains from the department:
 - 33 (A) approval of the form and amount of the bill; and
 - 34 (B) a certification that the billed goods and services have been
 35 received and comply with the contract; and
- 36 (3) files with the county auditor:
 - 37 (A) a duplicate copy of the bill submitted to the department;
 - 38 (B) proof of the department's approval of the form and amount
 39 of the bill; and
 - 40 (C) the department's certification that the billed goods and
 41 services have been received and comply with the contract.

42 The department's approval and certification of a bill under subdivision

1 (2) shall be treated as conclusively resolving the merits of a contractor's
 2 claim. Upon receipt of the documentation described in subdivision (3),
 3 the county auditor shall immediately certify that the bill is true and
 4 correct without further audit ~~publish the claim as required by~~
 5 ~~IC 36-2-6-3~~; and submit the claim to the county executive. The county
 6 executive shall allow the claim, in full, as approved by the department,
 7 without further examination of the merits of the claim in a regular or
 8 special session that is held not less than three (3) days and not more
 9 than seven (7) days after the ~~completion of the publication~~
 10 ~~requirements under IC 36-2-6-3~~. **date the claim is certified by the**
 11 **county fiscal officer if the procedures in IC 5-11-10-2 are used to**
 12 **approve the claim or the date the claim is placed on the claim**
 13 **docket under IC 36-2-6-4 if the procedures in IC 36-2-6-4 are used**
 14 **to approve the claim.** Upon allowance of the claim by the county
 15 executive, the county auditor shall immediately issue a warrant or
 16 check for the full amount of the claim approved by the department.
 17 Compliance with this subsection constitutes compliance with
 18 IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and
 19 payment of a claim in compliance with this subsection is not subject to
 20 remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply
 21 to a claim submitted under this subsection. IC 5-11-10-1.6(d) applies
 22 to a fiscal officer who pays a claim in compliance with this subsection.

23 ~~(k)~~ **(j)** Notwithstanding IC 4-13-2, a period of seven (7) days is
 24 permitted for each of the following to review and act under IC 4-13-2
 25 on a contract of the department entered into under this section:

- 26 (1) The commissioner of the Indiana department of
 27 administration.
 28 (2) The director of the budget agency.
 29 (3) The attorney general.

30 ~~(l)~~ **(k)** If money in the county's property reassessment fund is
 31 insufficient to pay for an assessment or reassessment conducted under
 32 this section, the department may increase the tax rate and tax levy of
 33 the county's property reassessment fund to pay the cost and expenses
 34 related to the assessment or reassessment.

35 ~~(m)~~ **(l)** The department or the contractor of the department shall use
 36 the land values determined under section 13.6 of this chapter for a
 37 county subject to an order issued under this section to the extent that
 38 the department or the contractor finds that the land values reflect the
 39 true tax value of land, as determined under this article and the rules of
 40 the department. If the department or the contractor finds that the land
 41 values determined for the county under section 13.6 of this chapter do
 42 not reflect the true tax value of land, the department or the contractor

1 shall determine land values for the county that reflect the true tax value
 2 of land, as determined under this article and the rules of the
 3 department. Land values determined under this subsection shall be
 4 used to the same extent as if the land values had been determined under
 5 section 13.6 of this chapter. The department or the contractor of the
 6 department shall notify the county's ~~assessment~~ **assessing** officials of
 7 the land values determined under this subsection.

8 ~~(n)~~ **(m)** A contractor of the department may notify the department
 9 if:

10 (1) a county auditor fails to:

11 (A) certify the contractor's bill;

12 (B) publish the contractor's claim;

13 (C) submit the contractor's claim to the county executive; or

14 (D) issue a warrant or check for payment of the contractor's
 15 bill;

16 as required by subsection ~~(j)~~ **(i)** at the county auditor's first legal
 17 opportunity to do so;

18 (2) a county executive fails to allow the contractor's claim as
 19 legally required by subsection ~~(j)~~ **(i)** at the county executive's first
 20 legal opportunity to do so; or

21 (3) a person or an entity authorized to act on behalf of the county
 22 takes or fails to take an action, including failure to request an
 23 appropriation, and that action or failure to act delays or halts
 24 progress under this section for payment of the contractor's bill.

25 ~~(o)~~ **(n)** The department, upon receiving notice under subsection ~~(n)~~
 26 **(m)** from a contractor of the department, shall:

27 (1) verify the accuracy of the contractor's assertion in the notice
 28 that:

29 (A) a failure occurred as described in subsection ~~(n)(1)~~ **(m)(1)**
 30 or ~~(n)(2)~~ **(m)(2)**; or

31 (B) a person or an entity acted or failed to act as described in
 32 subsection ~~(n)(3)~~ **(m)(3)**; and

33 (2) provide to the treasurer of state the department's approval
 34 under subsection ~~(j)(2)(A)~~ **(i)(2)(A)** of the contractor's bill with
 35 respect to which the contractor gave notice under subsection ~~(n)~~
 36 **(m)**.

37 ~~(p)~~ **(o)** Upon receipt of the department's approval of a contractor's
 38 bill under subsection ~~(o)~~ **(n)**, the treasurer of state shall pay the
 39 contractor the amount of the bill approved by the department from
 40 money in the possession of the state that would otherwise be available
 41 for distribution to the county, including distributions ~~from the property~~
 42 ~~tax replacement fund or distribution~~ of admissions taxes or wagering

1 taxes.

2 ~~(q)~~ **(p)** The treasurer of state shall withhold from the money that
 3 would be distributed under IC 4-33-12-6, IC 4-33-13-5,
 4 ~~IC 6-1.1-21-4(b)~~, or any other law to a county described in a notice
 5 provided under subsection ~~(n)~~ **(m)** the amount of a payment made by
 6 the treasurer of state to the contractor of the department under
 7 subsection ~~(p)~~: **(o)**. Money shall be withheld ~~first from the money~~
 8 ~~payable to the county under IC 6-1.1-21-4(b) and then from all other~~
 9 ~~sources~~ **any source** payable to the county.

10 ~~(r)~~ **(q)** Compliance with subsections ~~(n)~~ **(m)** through ~~(q)~~ **(p)**
 11 constitutes compliance with IC 5-11-10.

12 ~~(s)~~ **(r)** IC 5-11-10-1.6(d) applies to the treasurer of state with respect
 13 to the payment made in compliance with subsections ~~(n)~~ **(m)** through
 14 ~~(q)~~: **(p)**. This subsection and subsections ~~(n)~~ **(m)** through ~~(q)~~ **(p)** must
 15 be interpreted liberally so that the state shall, to the extent legally valid,
 16 ensure that the contractual obligations of a county subject to this
 17 section are paid. Nothing in this section shall be construed to create a
 18 debt of the state.

19 ~~(t)~~ **(s)** The provisions of this section are severable as provided in
 20 IC 1-1-1-8(b).

21 SECTION 80. IC 6-1.1-4-31.6, AS ADDED BY P.L.228-2005,
 22 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2008]: Sec. 31.6. (a) Subject to the other requirements of this
 24 section, the department of local government finance may:

25 (1) negotiate an addendum to a contract referred to in ~~section~~
 26 ~~31.5(g)~~ **section 31.5(f)** of this chapter that is treated as a contract
 27 of the department; or

28 (2) include provisions in a contract entered into by the department
 29 under ~~section 31.5(g)~~ **section 31.5(f)** of this chapter;

30 to require the contractor of the department to represent the department
 31 in appeals initiated under section 31.7 of this chapter and to afford to
 32 taxpayers an opportunity to attend an informal hearing.

33 (b) The purpose of the informal hearing referred to in subsection (a)
 34 is to:

35 (1) discuss the specifics of the taxpayer's assessment or
 36 reassessment;

37 (2) review the taxpayer's property record card;

38 (3) explain to the taxpayer how the assessment or reassessment
 39 was determined;

40 (4) provide to the taxpayer information about the statutes, rules,
 41 and guidelines that govern the determination of the assessment or
 42 reassessment;

- 1 (5) note and consider objections of the taxpayer;
- 2 (6) consider all errors alleged by the taxpayer; and
- 3 (7) otherwise educate the taxpayer about:
- 4 (A) the taxpayer's assessment or reassessment;
- 5 (B) the assessment or reassessment process; and
- 6 (C) the assessment or reassessment appeal process under
- 7 section 31.7 of this chapter.
- 8 (c) Following an informal hearing referred to in subsection (b), the
- 9 contractor shall:
- 10 (1) make a recommendation to the department of local
- 11 government finance as to whether a change in the reassessment is
- 12 warranted; and
- 13 (2) if recommending a change under subdivision (1), provide to
- 14 the department a statement of:
- 15 (A) how the changed assessment or reassessment was
- 16 determined; and
- 17 (B) the amount of the changed assessment or reassessment.
- 18 (d) To preserve the right to appeal under section 31.7 of this
- 19 chapter, a taxpayer must initiate the informal hearing process by
- 20 notifying the department of local government finance or its designee of
- 21 the taxpayer's intent to participate in an informal hearing referred to in
- 22 subsection (b) not later than forty-five (45) days after the department
- 23 of local government finance gives notice under ~~section 31.5(h)~~ **section**
- 24 **31.5(g)** of this chapter to taxpayers of the amount of the reassessment.
- 25 (e) The informal hearings referred to in subsection (b) must be
- 26 conducted:
- 27 (1) in the county where the property is located; and
- 28 (2) in a manner determined by the department of local
- 29 government finance.
- 30 (f) The department of local government finance shall:
- 31 (1) consider the recommendation of the contractor under
- 32 subsection (c); and
- 33 (2) if the department accepts a recommendation that a change in
- 34 the assessment or reassessment is warranted, accept or modify the
- 35 recommended amount of the changed assessment or reassessment.
- 36 (g) The department of local government finance shall send a notice
- 37 of the result of each informal hearing to:
- 38 (1) the taxpayer;
- 39 (2) the county auditor;
- 40 (3) the county assessor; and
- 41 (4) the township assessor (**if any**) of the township in which the
- 42 property is located.

- 1 (h) A notice under subsection (g) must:
- 2 (1) state whether the assessment or reassessment was changed as
- 3 a result of the informal hearing; and
- 4 (2) if the assessment or reassessment was changed as a result of
- 5 the informal hearing:
- 6 (A) indicate the amount of the changed assessment or
- 7 reassessment; and
- 8 (B) provide information on the taxpayer's right to appeal under
- 9 section 31.7 of this chapter.
- 10 (i) If the department of local government finance does not send a
- 11 notice under subsection (g) not later than two hundred seventy (270)
- 12 days after the date the department gives notice of the amount of the
- 13 assessment or reassessment under ~~section 31.5(h)~~ **section 31.5(g)** of
- 14 this chapter:
- 15 (1) the department may not change the amount of the assessment
- 16 or reassessment under the informal hearing process described in
- 17 this section; and
- 18 (2) the taxpayer may appeal the assessment or reassessment under
- 19 section 31.7 of this chapter.
- 20 (j) The department of local government finance may adopt rules to
- 21 establish procedures for informal hearings under this section.
- 22 (k) Payment for an addendum to a contract under subsection (a)(1)
- 23 is made in the same manner as payment for the contract under ~~section~~
- 24 ~~31.5(i)~~ **section 31.5(h)** of this chapter.
- 25 SECTION 81. IC 6-1.1-4-31.7, AS AMENDED BY P.L.219-2007,
- 26 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 27 JULY 1, 2008]: Sec. 31.7. (a) As used in this section, "special master"
- 28 refers to a person designated by the Indiana board under subsection (e).
- 29 (b) The notice of assessment or reassessment under ~~section 31.5(h)~~
- 30 **section 31.5(g)** of this chapter is subject to appeal by the taxpayer to
- 31 the Indiana board. The procedures and time limitations that apply to an
- 32 appeal to the Indiana board of a determination of the department of
- 33 local government finance do not apply to an appeal under this
- 34 subsection. The Indiana board may establish applicable procedures and
- 35 time limitations under subsection (l).
- 36 (c) In order to appeal under subsection (b), the taxpayer must:
- 37 (1) participate in the informal hearing process under section 31.6
- 38 of this chapter;
- 39 (2) except as provided in section 31.6(i) of this chapter, receive
- 40 a notice under section 31.6(g) of this chapter; and
- 41 (3) file a petition for review with the appropriate county assessor
- 42 not later than thirty (30) days after:

- 1 (A) the date of the notice to the taxpayer under section 31.6(g)
2 of this chapter; or
- 3 (B) the date after which the department may not change the
4 amount of the assessment or reassessment under the informal
5 hearing process described in section 31.6 of this chapter.
- 6 (d) The Indiana board may develop a form for petitions under
7 subsection (c) that outlines:
- 8 (1) the appeal process;
9 (2) the burden of proof; and
10 (3) evidence necessary to warrant a change to an assessment or
11 reassessment.
- 12 (e) The Indiana board may contract with, appoint, or otherwise
13 designate the following to serve as special masters to conduct
14 evidentiary hearings and prepare reports required under subsection (g):
- 15 (1) Independent, licensed appraisers.
16 (2) Attorneys.
17 (3) Certified level two or level three Indiana assessor-appraisers
18 (including administrative law judges employed by the Indiana
19 board).
20 (4) Other qualified individuals.
- 21 (f) Each contract entered into under subsection (e) must specify the
22 appointee's compensation and entitlement to reimbursement for
23 expenses. The compensation and reimbursement for expenses are paid
24 from the county property reassessment fund.
- 25 (g) With respect to each petition for review filed under subsection
26 (c), the special masters shall:
- 27 (1) set a hearing date;
28 (2) give notice of the hearing at least thirty (30) days before the
29 hearing date, by mail, to:
- 30 (A) the taxpayer;
31 (B) the department of local government finance;
32 (C) the township assessor (**if any**); and
33 (D) the county assessor;
- 34 (3) conduct a hearing and hear all evidence submitted under this
35 section; and
36 (4) make evidentiary findings and file a report with the Indiana
37 board.
- 38 (h) At the hearing under subsection (g):
- 39 (1) the taxpayer shall present:
- 40 (A) the taxpayer's evidence that the assessment or
41 reassessment is incorrect;
42 (B) the method by which the taxpayer contends the assessment

- 1 or reassessment should be correctly determined; and
- 2 (C) comparable sales, appraisals, or other pertinent
- 3 information concerning valuation as required by the Indiana
- 4 board; and
- 5 (2) the department of local government finance shall present its
- 6 evidence that the assessment or reassessment is correct.
- 7 (i) The Indiana board may dismiss a petition for review filed under
- 8 subsection (c) if the evidence and other information required under
- 9 subsection (h)(1) is not provided at the hearing under subsection (g).
- 10 (j) The township assessor (**if any**) and the county assessor may
- 11 attend and participate in the hearing under subsection (g).
- 12 (k) The Indiana board may:
- 13 (1) consider the report of the special masters under subsection
- 14 (g)(4);
- 15 (2) make a final determination based on the findings of the special
- 16 masters without:
- 17 (A) conducting a hearing; or
- 18 (B) any further proceedings; and
- 19 (3) incorporate the findings of the special masters into the board's
- 20 findings in resolution of the appeal.
- 21 (l) The Indiana board may adopt rules under IC 4-22-2-37.1 to:
- 22 (1) establish procedures to expedite:
- 23 (A) the conduct of hearings under subsection (g); and
- 24 (B) the issuance of determinations of appeals under subsection
- 25 (k); and
- 26 (2) establish deadlines:
- 27 (A) for conducting hearings under subsection (g); and
- 28 (B) for issuing determinations of appeals under subsection (k).
- 29 (m) A determination by the Indiana board of an appeal under
- 30 subsection (k) is subject to appeal to the tax court under IC 6-1.1-15.
- 31 SECTION 82. IC 6-1.1-4-39, AS AMENDED BY P.L.199-2005,
- 32 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 33 JULY 1, 2008]: Sec. 39. (a) For assessment dates after February 28,
- 34 2005, except as provided in subsections (c) and (e), the true tax value
- 35 of real property regularly used to rent or otherwise furnish residential
- 36 accommodations for periods of thirty (30) days or more and that has
- 37 more than four (4) rental units is the lowest valuation determined by
- 38 applying each of the following appraisal approaches:
- 39 (1) Cost approach that includes an estimated reproduction or
- 40 replacement cost of buildings and land improvements as of the
- 41 date of valuation together with estimates of the losses in value
- 42 that have taken place due to wear and tear, design and plan, or

1 neighborhood influences.

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

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

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

10 (1) real property that has at least one (1) and not more than four

11 (4) rental units; and

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

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

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

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

31 SECTION 83. IC 6-1.1-4-39.5, AS ADDED BY P.L.233-2007,
32 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JULY 1, 2008]: Sec. 39.5. (a) As used in this section, "qualified real
34 property" means a riverboat (as defined in IC 4-33-2-17).

35 (b) Except as provided in subsection (c), the true tax value of
36 qualified real property is the lowest valuation determined by applying
37 each of the following appraisal approaches:

38 (1) Cost approach that includes an estimated reproduction or
39 replacement cost of buildings and land improvements as of the
40 date of valuation together with estimates of the losses in value
41 that have taken place due to wear and tear, design and plan, or
42 neighborhood influences using base prices determined under 50

- 1 IAC 2.3 and associated guidelines published by the department.
- 2 (2) Sales comparison approach, using data for generally
- 3 comparable property, excluding values attributable to licenses,
- 4 fees, or personal property as determined under 50 IAC 4.2.
- 5 (3) Income capitalization approach, using an applicable
- 6 capitalization method and appropriate capitalization rates that are
- 7 developed and used in computations that lead to an indication of
- 8 value commensurate with the risks for the subject property use.

9 (c) A township **or county** assessor is not required to appraise

10 qualified real property using the three (3) appraisal approaches listed

11 in subsection (b) if the township **or county** assessor and the taxpayer

12 agree before notice of the assessment is given to the taxpayer under

13 section 22 of this chapter to the determination of the true tax value of

14 the property by the assessor using one (1) of those appraisal

15 approaches.

16 (d) To carry out this section, the department of local government

17 finance may adopt rules for assessors to use in gathering and

18 processing information for the application of the income capitalization

19 method. A taxpayer must verify under penalties for perjury any

20 information provided to the assessor for use in the application of the

21 income capitalization method.

22 SECTION 84. IC 6-1.1-5-8 IS AMENDED TO READ AS

23 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. Except as provided

24 in section 9 of this chapter, the county auditor of each county shall

25 annually prepare and deliver to the township assessor **(if any) or the**

26 **county assessor** a list of all real property entered in the township **or**

27 **county** as of the assessment date. The county auditor shall deliver the

28 list within thirty (30) days after the assessment date. The county auditor

29 shall prepare the list in the form prescribed or approved by the

30 department of local government finance.

31 SECTION 85. IC 6-1.1-5-9 IS AMENDED TO READ AS

32 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 9. ~~Except as provided~~

33 ~~in section 4(b) of this chapter, for all civil townships in which~~ **In a**

34 **county containing** a consolidated city: ~~is situated,~~

- 35 **(1) the township assessor has the duties and authority described**
- 36 **in sections 1 through 8 of this chapter; and**
- 37 **(2) the county assessor has the duties and authority described**
- 38 **in sections 1 through 8 of this chapter for a township for**
- 39 **which there is no township assessor.**

40 These duties and authority include effecting the transfer of title to real

41 property and preparing, maintaining, approving, correcting, indexing,

42 and publishing the list or record of, or description of title to, real

1 property. If a court renders a judgment for the partition or transfer of
 2 real property located in ~~one (1) of these townships~~, a **county**
 3 **containing a consolidated city**, the clerk of the court shall deliver the
 4 transcript to the ~~township~~ **county** assessor.

5 SECTION 86. IC 6-1.1-5-9.1 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 9.1. (a) Except:

7 (1) as provided in subsection (b); and

8 (2) for civil townships described in section 9 of this chapter;

9 and notwithstanding the provisions of sections 1 through 8 of this
 10 chapter, for all other civil townships having a population of thirty-five
 11 thousand (35,000) or more, for a civil township that falls below a
 12 population of thirty-five thousand (35,000) at a federal decennial
 13 census that takes effect after December 31, 2001, and for all other civil
 14 townships in which a city of the second class is located, the township
 15 assessor, **or the county assessor if there is no township assessor for**
 16 **the township**, shall make the real property lists and the plats described
 17 in sections 1 through 8 of this chapter.

18 (b) In a civil township that attains a population of thirty-five
 19 thousand (35,000) or more at a federal decennial census that takes
 20 effect after December 31, 2001, the county auditor shall make the real
 21 property lists and the plats described in sections 1 through 8 of this
 22 chapter unless the township assessor determines to assume the duty
 23 from the county auditor.

24 (c) With respect to townships in which the township assessor makes
 25 the real property lists and the plats described in sections 1 through 8 of
 26 this chapter, the county auditor shall, upon completing the tax
 27 duplicate, return the real property lists to the township assessor for the
 28 continuation of the lists by the assessor. If land located in one (1) of
 29 these townships is platted, the plat shall be presented to the township
 30 assessor instead of the county auditor, before it is recorded. The
 31 township assessor shall then enter the lots or parcels described in the
 32 plat on the tax lists in lieu of the land included in the plat.

33 SECTION 87. IC 6-1.1-5-10 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 10. If a township
 35 assessor, **or the county assessor if there is no township assessor for**
 36 **the township**, believes that it is necessary to obtain an accurate
 37 description of a specific lot or tract, ~~which is situated in the township~~
 38 ~~he serves~~, the assessor may demand in writing that the owner or
 39 occupant of the lot or tract deliver all the title papers in ~~his~~ **the owner's**
 40 **or occupant's** possession to the assessor for ~~his~~ **the assessor's**
 41 examination. If the person fails to deliver the title papers to the assessor
 42 at ~~his~~ **the assessor's** office within five (5) days after the demand is

1 mailed, the assessor shall prepare the real property list according to the
 2 best information ~~he~~ **the assessor** can obtain. For that purpose, the
 3 assessor may examine, under oath, any person whom ~~he~~ **the assessor**
 4 believes has any knowledge relevant to the issue.

5 SECTION 88. IC 6-1.1-5-11 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 11. (a) In order to
 7 determine the quantity of land contained within a tract, an assessor
 8 shall follow the rules contained in this section.

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

- 13 (1) a deed from another party or from this state; or
- 14 (2) a patent from the United States.

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

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

- 26 (1) the land was within the French or Clark's grant; and
- 27 (2) the party holds the land under original entry or survey.

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

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

- 37 (1) the owner or holder of the land has previously had it surveyed
 38 and presents to the assessor a survey certificate which states the
 39 quantity of land; or
- 40 (2) the assessor is satisfied from other competent evidence, given
 41 under oath or affirmation, that the quantity of land stated in the
 42 original survey is correct.

1 SECTION 89. IC 6-1.1-5-14, AS AMENDED BY P.L.88-2005,
 2 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2008]: Sec. 14. Not later than May 15, each ~~assessing official~~
 4 **township assessor in the county (if any)** shall prepare and deliver to
 5 the county assessor a detailed list of the real property listed for taxation
 6 in the township. On or before July 1 of each year, each county assessor
 7 shall, under oath, prepare and deliver to the county auditor a detailed
 8 list of the real property listed for taxation in the county. ~~In a county~~
 9 ~~with an elected township assessor in every township the township~~
 10 ~~assessor shall prepare the real property list.~~ The assessing officials and
 11 the county assessor shall prepare the list in the form prescribed by the
 12 department of local government finance. ~~The township assessor shall~~
 13 ~~ensure that the county assessor has full access to the assessment~~
 14 ~~records maintained by the township assessor.~~

15 SECTION 90. IC 6-1.1-5-15, AS AMENDED BY P.L.228-2005,
 16 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2008]: Sec. 15. (a) Except as provided in subsection (b),
 18 before an owner of real property demolishes, structurally modifies, or
 19 improves it at a cost of more than five hundred dollars (\$500) for
 20 materials or labor, or both, the owner or the owner's agent shall file
 21 with the area plan commission or the county assessor in the county
 22 where the property is located an assessment registration notice on a
 23 form prescribed by the department of local government finance.

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

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

37 (d) Before the last day of each month, the county assessor shall
 38 distribute a copy of each assessment registration notice filed under
 39 subsection (a) or permit received under subsection (b) to the assessor
 40 of the township **(if any)** in which the real property to be demolished,
 41 modified, or improved is situated.

42 (e) A fee of five dollars (\$5) shall be charged by the area plan

1 commission or the county assessor for the filing of the assessment
2 registration notice. All fees collected under this subsection shall be
3 deposited in the county property reassessment fund.

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

9 (g) Any person who fails to:

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

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

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

20 SECTION 91. IC 6-1.1-5.5-3, AS AMENDED BY P.L.219-2007,
21 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22 JULY 1, 2008]: Sec. 3. (a) For purposes of this section, "party"
23 includes:

24 (1) a seller of property that is exempt under the seller's ownership;

25 or

26 (2) a purchaser of property that is exempt under the purchaser's
27 ownership;

28 from property taxes under IC 6-1.1-10.

29 (b) Before filing a conveyance document with the county auditor
30 under IC 6-1.1-5-4, all the parties to the conveyance must do the
31 following:

32 (1) Complete and sign a sales disclosure form as prescribed by the
33 department of local government finance under section 5 of this
34 chapter. All the parties may sign one (1) form, or if all the parties
35 do not agree on the information to be included on the completed
36 form, each party may sign and file a separate form.

37 (2) Before filing a sales disclosure form with the county auditor,
38 submit the sales disclosure form to the county assessor. The
39 county assessor must review the accuracy and completeness of
40 each sales disclosure form submitted immediately upon receipt of
41 the form and, if the form is accurate and complete, stamp the form
42 as eligible for filing with the county auditor and return the form

1 to the appropriate party for filing with the county auditor. If
2 multiple forms are filed in a short period, the county assessor
3 shall process the forms as quickly as possible. For purposes of this
4 subdivision, a sales disclosure form is considered to be accurate
5 and complete if:

6 (A) the county assessor does not have substantial evidence
7 when the form is reviewed under this subdivision that
8 information in the form is inaccurate; and

9 (B) the form:

10 (i) substantially conforms to the sales disclosure form
11 prescribed by the department of local government finance
12 under section 5 of this chapter; and

13 (ii) is submitted to the county assessor in a format usable to
14 the county assessor.

15 (3) File the sales disclosure form with the county auditor.

16 (c) ~~Except as provided in subsection (d)~~; The auditor shall forward
17 each sales disclosure form to the county assessor. The county assessor
18 shall retain the forms for five (5) years. The county assessor shall
19 forward the sales disclosure form data to the department of local
20 government finance and the legislative services agency in an electronic
21 format specified jointly by the department of local government finance
22 and the legislative services agency. The county assessor shall forward
23 a copy of the sales disclosure forms to the township assessors in the
24 county. The forms may be used by the county assessing officials, the
25 department of local government finance, and the legislative services
26 agency for the purposes established in IC 6-1.1-4-13.6, sales ratio
27 studies, equalization, adoption of rules under IC 6-1.1-31-3 and
28 IC 6-1.1-31-6, and any other authorized purpose.

29 (d) In a county containing a consolidated city, the auditor shall
30 forward the sales disclosure form to the appropriate township assessor
31 **(if any)**. The township **or county** assessor shall forward the sales
32 disclosure form to the department of local government finance and the
33 legislative services agency in an electronic format specified jointly by
34 the department of local government finance and the legislative services
35 agency. The forms may be used by the county assessing officials, the
36 department of local government finance, and the legislative services
37 agency for the purposes established in IC 6-1.1-4-13.6, sales ratio
38 studies, equalization, adoption of rules under IC 6-1.1-31-3 and
39 IC 6-1.1-31-6, and any other authorized purpose.

40 (e) If a sales disclosure form includes the telephone number or
41 Social Security number of a party, the telephone number or Social
42 Security number is confidential.

1 (f) County assessing officials and other local officials may not
 2 establish procedures or requirements concerning sales disclosure forms
 3 that substantially differ from the procedures and requirements of this
 4 chapter.

5 SECTION 92. IC 6-1.1-7-3 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. A person who
 7 permits a mobile home to be placed on any land which ~~he~~ **the person**
 8 owns, possesses, or controls shall report that fact to the assessor of the
 9 township in which the land is located, **or the county assessor if there**
 10 **is no township assessor for the township**, within ten (10) days after
 11 the mobile home is placed on the land. The ten (10) day period
 12 commences the day after the day that the mobile home is placed upon
 13 the land.

14 SECTION 93. IC 6-1.1-7-5 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 5. A mobile home
 16 which is subject to taxation under this chapter shall be assessed by the
 17 assessor of the township within which the place of assessment is
 18 located, **or the county assessor if there is no township assessor for**
 19 **the township**. Each township assessor ~~of a county and the county~~
 20 **assessor** shall certify the assessments of mobile homes to the county
 21 auditor in the same manner provided for the certification of personal
 22 property assessments. The township **or county** assessor shall make this
 23 certification on the forms prescribed by the department of local
 24 government finance.

25 SECTION 94. IC 6-1.1-8-23 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 23. Each year a public
 27 utility company shall file a statement with the assessor of each
 28 township **(if any)** and county assessor of each county in which the
 29 company's property is located. The company shall file the statement on
 30 the form prescribed by the department of local government finance.
 31 The statement shall contain a description of the company's tangible
 32 personal property located in the township **or county**.

33 SECTION 95. IC 6-1.1-8-24, AS AMENDED BY P.L.88-2005,
 34 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2008]: Sec. 24. (a) Each year a township assessor, **or the**
 36 **county assessor if there is no township assessor for the township**,
 37 shall assess the fixed property ~~which that~~ as of the assessment date of
 38 that year is:

- 39 (1) owned or used by a public utility company; and
 40 (2) located in the township ~~the township assessor serves.~~ **or**
 41 **county**.
 42 (b) The township **or county** assessor shall determine the assessed

1 value of fixed property. ~~The~~ **A** township assessor shall certify the
 2 assessed values to the county assessor on or before April 1 of the year
 3 of assessment. However, in a county with ~~an elected~~ **a** township
 4 assessor in every township, the township assessor shall certify the list
 5 to the department of local government finance. The county assessor
 6 shall review the assessed values and shall certify the assessed values
 7 to the department of local government finance on or before April 10 of
 8 ~~the that~~ year. ~~of assessment.~~

9 SECTION 96. IC 6-1.1-8-33 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 33. A public utility
 11 company may appeal a township **or county** assessor's assessment of
 12 fixed property in the same manner that it may appeal a township **or**
 13 **county** assessor's assessment of tangible property under ~~IC 1971,~~
 14 **IC 6-1.1-15.**

15 SECTION 97. IC 6-1.1-8-39 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 39. The annual
 17 assessments of a public utility company's property are presumed to
 18 include all the company's property which is subject to taxation under
 19 this chapter. However, this presumption does not preclude the
 20 subsequent assessment of a specific item of tangible property which is
 21 clearly shown to have been omitted from the assessments for that year.
 22 The appropriate township assessor, **or the county assessor if there is**
 23 **no township assessor for the township**, shall make assessments of
 24 omitted fixed property. The department of local government finance
 25 shall make assessments of omitted distributable property. However, the
 26 department of local government finance may not assess omitted
 27 distributable property after the expiration of ten (10) years from the last
 28 day of the year in which the assessment should have been made.

29 SECTION 98. IC 6-1.1-8.5-7 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) The township
 31 assessor (**if any**) of each township in a qualifying county shall notify
 32 the department of local government finance of a newly constructed
 33 industrial facility that is located in the township served by the township
 34 assessor. **The county assessor shall perform this duty for a township**
 35 **in a qualifying county if there is no township assessor for the**
 36 **township.**

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

41 (c) The department of local government finance shall schedule an
 42 assessment under this chapter of a newly constructed industrial facility

1 within six (6) months after receiving notice of the construction ~~from the~~
 2 ~~appropriate township assessor or building commissioner.~~ **under this**
 3 **section.**

4 SECTION 99. IC 6-1.1-9-1, AS AMENDED BY P.L.219-2007,
 5 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2008]: Sec. 1. If a township assessor (**if any**), county assessor,
 7 or county property tax assessment board of appeals believes that any
 8 taxable tangible property has been omitted from or undervalued on the
 9 assessment rolls or the tax duplicate for any year or years, the official
 10 or board shall give written notice under IC 6-1.1-3-20 or IC 6-1.1-4-22
 11 of the assessment or increase in assessment. The notice shall contain
 12 a general description of the property and a statement describing the
 13 taxpayer's right to a review with the county property tax assessment
 14 board of appeals under IC 6-1.1-15-1.

15 SECTION 100. IC 6-1.1-9-6 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. The county assessor
 17 shall obtain from the county auditor or the township assessors (**if any**)
 18 all returns for tangible property made by the township assessors of the
 19 county and all assessment lists, schedules, statements, maps, and other
 20 books and papers filed with the county auditor by the township
 21 assessors. For purposes of discovering undervalued or omitted
 22 property, the county assessor shall carefully examine the county tax
 23 duplicates and all other pertinent records and papers of the county
 24 auditor, treasurer, recorder, clerk, sheriff, and surveyor. The county
 25 assessor shall, in the manner prescribed in this article, assess all
 26 omitted or undervalued tangible property which is subject to
 27 assessment.

28 SECTION 101. IC 6-1.1-10-10 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 10. (a) The owner of an
 30 industrial waste control facility who wishes to obtain the exemption
 31 provided in section 9 of this chapter shall file an exemption claim
 32 **along** with the assessor of the township in which the property is located
 33 ~~when he files his owner's~~ annual personal property return. The claim
 34 shall describe and state the assessed value of the property for which an
 35 exemption is claimed.

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

40 (c) The department of environmental management may investigate
 41 any claim. The department may also determine if the property for
 42 which the exemption is claimed is being utilized as an industrial waste

1 control facility. Within one hundred twenty (120) days after a claim is
 2 mailed to the department, the department may certify its written
 3 determination to the township **or county** assessor with whom the claim
 4 was filed.

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

- 6 (1) as long as the owner owns the property and uses the property
 7 as an industrial waste control facility; or
 8 (2) for five (5) years;

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

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

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

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

29 SECTION 102. IC 6-1.1-10-13 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 13. (a) The owner of
 31 personal property which is part of a stationary or unlicensed mobile air
 32 pollution control system who wishes to obtain the exemption provided
 33 in section 12 of this chapter shall claim the exemption on ~~his the~~
 34 **owner's** annual personal property return. ~~which he files with the~~
 35 ~~assessor of the township in which the property is located.~~ On the return,
 36 the owner shall describe and state the assessed value of the property for
 37 which the exemption is claimed.

38 (b) The township **or county** assessor shall:

- 39 (1) review the exemption claim; and ~~he shall~~
 40 (2) allow or deny it in whole or in part.

41 In making ~~his the~~ decision, the township **or county** assessor shall
 42 consider the requirements stated in section 12 of this chapter.

1 (c) The township **or county** assessor shall reduce the assessed value
 2 of the owner's personal property for the year for which the exemption
 3 is claimed by the amount of exemption allowed.

4 SECTION 103. IC 6-1.1-10-14 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 14. The action taken by
 6 a township **or county** assessor on an exemption claim filed under
 7 section 10 or ~~section~~ 13 of this chapter shall be treated as an
 8 assessment of personal property. Thus, the assessor's action is subject
 9 to all the provisions of this article pertaining to notice, review, or
 10 appeal of personal property assessments.

11 SECTION 104. IC 6-1.1-10-31.7 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 31.7. (a) Subject to
 13 subsection (c), in order to claim a property tax exemption under section
 14 31.4, 31.5, or 31.6 of this chapter, the owner or possessor of:

- 15 (1) a truck chassis under section 31.4 of this chapter;
- 16 (2) a passenger motor vehicle under section 31.5 of this chapter;
- 17 or
- 18 (3) a school bus body or chassis under section 31.6 of this
 19 chapter;

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

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

- 24 (1) prescribed by the department of local government finance; and
- 25 (2) containing the following information:
 - 26 (A) A description of the property claimed to be exempt in
 27 sufficient detail to afford identification of the property.
 - 28 (B) A statement indicating the ownership and the possession
 29 of the property.
 - 30 (C) The grounds for claiming the exemption.
 - 31 (D) The full name and address of the applicant.
 - 32 (E) Any additional information that the department of local
 33 government finance may require that is:
 - 34 (i) reasonably related to the exemption; and
 - 35 (ii) necessary to determine the exemption.

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

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

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

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

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

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

14 SECTION 105. IC 6-1.1-11-3, AS AMENDED BY P.L.219-2007,
 15 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2008]: Sec. 3. (a) Subject to subsections (e), (f), and (g), an
 17 owner of tangible property who wishes to obtain an exemption from
 18 property taxation shall file a certified application in duplicate with the
 19 county assessor of the county in which the property that is the subject
 20 of the exemption is located. The application must be filed annually on
 21 or before May 15 on forms prescribed by the department of local
 22 government finance. Except as provided in sections 1, 3.5, and 4 of this
 23 chapter, the application applies only for the taxes imposed for the year
 24 for which the application is filed.

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

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

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

32 (2) A statement showing the ownership, possession, and use of
 33 the property.

34 (3) The grounds for claiming the exemption.

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

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

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

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

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

42 (6) Any additional information which the department of local

1 government finance may require.

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

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

- 19 (1) properly assess the real property **or direct the township**
20 **assessor to properly assess the real property;** and
21 (2) notify the ~~county assessor and~~ county auditor of the proper
22 assessment **or direct the township assessor to notify the county**
23 **auditor of the proper assessment.**

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

32 (g) This subsection applies whenever a law requires an exemption
33 to be claimed on or in an application accompanying a personal property
34 tax return. The claim or application may be filed on or with a personal
35 property tax return not more than thirty (30) days after the filing date
36 for the personal property tax return, regardless of whether an extension
37 of the filing date has been granted under IC 6-1.1-3-7.

38 SECTION 106. IC 6-1.1-12-12, AS AMENDED BY P.L.183-2007,
39 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
40 JANUARY 1, 2009]: Sec. 12. (a) Except as provided in section 17.8 of
41 this chapter, a person who desires to claim the deduction provided in
42 section 11 of this chapter must file an application, on forms prescribed

1 by the department of local government finance, with the auditor of the
 2 county in which the real property, mobile home not assessed as real
 3 property, or manufactured home not assessed as real property is
 4 located. With respect to real property, the application must be filed
 5 during the twelve (12) months before June 11 of each year for which
 6 the individual wishes to obtain the deduction. With respect to a mobile
 7 home that is not assessed as real property or a manufactured home that
 8 is not assessed as real property, the application must be filed during the
 9 twelve (12) months before March 31 of each year for which the
 10 individual wishes to obtain the deduction. The application may be filed
 11 in person or by mail. If mailed, the mailing must be postmarked on or
 12 before the last day for filing.

13 (b) Proof of blindness may be supported by:

14 (1) the records of a ~~county office of family and children~~, the
 15 division of family resources or the division of disability and
 16 rehabilitative services; or

17 (2) the written statement of a physician who is licensed by this
 18 state and skilled in the diseases of the eye or of a licensed
 19 optometrist.

20 (c) The application required by this section must contain the record
 21 number and page where the contract or memorandum of the contract
 22 is recorded if the individual is buying the real property, mobile home,
 23 or manufactured home on a contract that provides that the individual
 24 is to pay property taxes on the real property, mobile home, or
 25 manufactured home.

26 SECTION 107. IC 6-1.1-12-20, AS AMENDED BY P.L.154-2006,
 27 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2008]: Sec. 20. (a) A property owner who desires to obtain the
 29 deduction provided by section 18 of this chapter must file a certified
 30 deduction application, on forms prescribed by the department of local
 31 government finance, with the auditor of the county in which the
 32 rehabilitated property is located. The application may be filed in person
 33 or by mail. If mailed, the mailing must be postmarked on or before the
 34 last day for filing. Except as provided in subsection (b), the application
 35 must be filed before June 11 of the year in which the addition to
 36 assessed value is made.

37 (b) If notice of the addition to assessed value for any year is not
 38 given to the property owner before May 11 of that year, the application
 39 required by this section may be filed not later than thirty (30) days after
 40 the date such a notice is mailed to the property owner at the address
 41 shown on the records of the township **or county** assessor.

42 (c) The application required by this section shall contain the

1 following information:

- 2 (1) A description of the property for which a deduction is claimed
 3 in sufficient detail to afford identification.
 4 (2) Statements of the ownership of the property.
 5 (3) The assessed value of the improvements on the property
 6 before rehabilitation.
 7 (4) The number of dwelling units on the property.
 8 (5) The number of dwelling units rehabilitated.
 9 (6) The increase in assessed value resulting from the
 10 rehabilitation. ~~and~~
 11 (7) The amount of deduction claimed.

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

16 (e) On verification of an application by the assessor of the township
 17 in which the property is located, **or the county assessor if there is no**
 18 **township assessor for the township**, the county auditor shall make the
 19 deduction.

20 SECTION 108. IC 6-1.1-12-24, AS AMENDED BY P.L.154-2006,
 21 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2008]: Sec. 24. (a) A property owner who desires to obtain the
 23 deduction provided by section 22 of this chapter must file a certified
 24 deduction application, on forms prescribed by the department of local
 25 government finance, with the auditor of the county in which the
 26 property is located. The application may be filed in person or by mail.
 27 If mailed, the mailing must be postmarked on or before the last day for
 28 filing. Except as provided in subsection (b), the application must be
 29 filed before June 11 of the year in which the addition to assessed
 30 valuation is made.

31 (b) If notice of the addition to assessed valuation for any year is not
 32 given to the property owner before May 11 of that year, the application
 33 required by this section may be filed not later than thirty (30) days after
 34 the date such a notice is mailed to the property owner at the address
 35 shown on the records of the township **or county** assessor.

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

- 38 (1) The name of the property owner.
 39 (2) A description of the property for which a deduction is claimed
 40 in sufficient detail to afford identification.
 41 (3) The assessed value of the improvements on the property
 42 before rehabilitation.

1 (4) The increase in the assessed value of improvements resulting
2 from the rehabilitation. ~~and~~

3 (5) The amount of deduction claimed.

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

8 (e) On verification of the correctness of an application by the
9 assessor of the township in which the property is located, **or the**
10 **county assessor if there is no township assessor for the township,**
11 the county auditor shall make the deduction.

12 SECTION 109. IC 6-1.1-12-27.1, AS AMENDED BY
13 P.L.183-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS
14 [EFFECTIVE JULY 1, 2008]: Sec. 27.1. Except as provided in section
15 36 of this chapter, a person who desires to claim the deduction
16 provided by section 26 of this chapter must file a certified statement in
17 duplicate, on forms prescribed by the department of local government
18 finance, with the auditor of the county in which the real property or
19 mobile home is subject to assessment. With respect to real property, the
20 person must file the statement during the twelve (12) months before
21 June 11 of each year for which the person desires to obtain the
22 deduction. With respect to a mobile home which is not assessed as real
23 property, the person must file the statement during the twelve (12)
24 months before March 31 of each year for which the person desires to
25 obtain the deduction. The statement may be filed in person or by mail.
26 If mailed, the mailing must be postmarked on or before the last day for
27 filing. On verification of the statement by the assessor of the township
28 in which the real property or mobile home is subject to assessment, **or**
29 **the county assessor if there is no township assessor for the**
30 **township,** the county auditor shall allow the deduction.

31 SECTION 110. IC 6-1.1-12-28.5, AS AMENDED BY
32 P.L.137-2007, SECTION 2, IS AMENDED TO READ AS FOLLOWS
33 [EFFECTIVE JULY 1, 2008]: Sec. 28.5. (a) For purposes of this
34 section:

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

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

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

1 semisolid wastes.

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

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

8 (2) the owner filed a timely application for the deduction for the
9 1993 assessment year.

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

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

17 (1) is convicted of any violation under IC 13-7-13-3 (repealed),
18 IC 13-7-13-4 (repealed), or a criminal statute under IC 13; or

19 (2) is subject to an order or a consent decree with respect to
20 property located in Indiana based upon a violation of a federal or
21 state rule, regulation, or statute governing the treatment, storage,
22 or disposal of hazardous wastes that had a major or moderate
23 potential for harm.

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

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

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

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

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

36 Notwithstanding this section as it existed before 1995, for the 1994
37 assessment year, the portion of any tangible property comprising a
38 resource recovery system that was assessed and first deducted for the
39 1994 assessment year may not be deducted for property taxes first due
40 and payable in 1995 or later.

41 (e) In order to qualify for a deduction under this section, the person
42 who desires to claim the deduction must file an application with the

1 county auditor after February 28 and before May 16 of the current
 2 assessment year. An application must be filed in each year for which
 3 the person desires to obtain the deduction. The application may be filed
 4 in person or by mail. If mailed, the mailing must be postmarked on or
 5 before the last day for filing. If the application is not filed before the
 6 applicable deadline under this subsection, the deduction is waived. The
 7 application must be filed on a form prescribed by the department of
 8 local government finance. The application for a resource recovery
 9 system deduction must include:

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

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

16 Beginning with the 1995 assessment year a person must also file an
 17 itemized list of all property on which a deduction is claimed. The list
 18 must include the date of purchase of the property and the cost to
 19 acquire the property.

20 (f) Before July 1, 1995, the department of environmental
 21 management shall transfer all the applications, records, or other
 22 material the department has with respect to resource recovery system
 23 deductions under this section for the 1993 and 1994 assessment years.
 24 The township assessor, **or the county assessor if there is no township**
 25 **assessor for the township**, shall verify each deduction application
 26 filed under this section and the county auditor shall determine the
 27 deduction. The county auditor shall send to the department of local
 28 government finance a copy of each deduction application. The county
 29 auditor shall notify the county property tax assessment board of appeals
 30 of all deductions allowed under this section. A denial of a deduction
 31 claimed under this subsection may be appealed as provided in
 32 IC 6-1.1-15. The appeal is limited to a review of a determination made
 33 by the township **assessor, the county** assessor, or the county auditor.

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

40 SECTION 111. IC 6-1.1-12-30, AS AMENDED BY P.L.183-2007,
 41 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2008]: Sec. 30. Except as provided in section 36 of this

1 chapter, a person who desires to claim the deduction provided by
 2 section 29 of this chapter must file a certified statement in duplicate,
 3 on forms prescribed by the department of local government finance,
 4 with the auditor of the county in which the real property or mobile
 5 home is subject to assessment. With respect to real property, the person
 6 must file the statement during the twelve (12) months before June 11
 7 of each year for which the person desires to obtain the deduction. With
 8 respect to a mobile home which is not assessed as real property, the
 9 person must file the statement during the twelve (12) months before
 10 March 31 of each year for which the person desires to obtain the
 11 deduction. On verification of the statement by the assessor of the
 12 township in which the real property or mobile home is subject to
 13 assessment, **or the county assessor if there is no township assessor**
 14 **for the township**, the county auditor shall allow the deduction.

15 SECTION 112. IC 6-1.1-12-35.5, AS AMENDED BY
 16 P.L.183-2007, SECTION 9, IS AMENDED TO READ AS FOLLOWS
 17 [EFFECTIVE JULY 1, 2008]: Sec. 35.5. (a) Except as provided in
 18 section 36 of this chapter, a person who desires to claim the deduction
 19 provided by section 31 33, 34, or 34.5 of this chapter must file a
 20 certified statement in duplicate, on forms prescribed by the department
 21 of local government finance, and proof of certification under
 22 subsection (b) or (f) with the auditor of the county in which the
 23 property for which the deduction is claimed is subject to assessment.
 24 Except as provided in subsection (e), with respect to property that is not
 25 assessed under IC 6-1.1-7, the person must file the statement during the
 26 twelve (12) months before June 11 of the assessment year. The person
 27 must file the statement in each year for which the person desires to
 28 obtain the deduction. With respect to a property which is assessed
 29 under IC 6-1.1-7, the person must file the statement during the twelve
 30 (12) months before March 31 of each year for which the person desires
 31 to obtain the deduction. The statement may be filed in person or by
 32 mail. If mailed, the mailing must be postmarked on or before the last
 33 day for filing. On verification of the statement by the assessor of the
 34 township in which the property for which the deduction is claimed is
 35 subject to assessment, **or the county assessor if there is no township**
 36 **assessor for the township**, the county auditor shall allow the
 37 deduction.

38 (b) This subsection does not apply to an application for a deduction
 39 under section 34.5 of this chapter. The department of environmental
 40 management, upon application by a property owner, shall determine
 41 whether a system or device qualifies for a deduction provided by
 42 section 31 33, or 34 of this chapter. If the department determines that

1 a system or device qualifies for a deduction, it shall certify the system
2 or device and provide proof of the certification to the property owner.
3 The department shall prescribe the form and manner of the certification
4 process required by this subsection.

5 (c) This subsection does not apply to an application for a deduction
6 under section 34.5 of this chapter. If the department of environmental
7 management receives an application for certification before May 11 of
8 the assessment year, the department shall determine whether the system
9 or device qualifies for a deduction before June 11 of the assessment
10 year. If the department fails to make a determination under this
11 subsection before June 11 of the assessment year, the system or device
12 is considered certified.

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

18 (e) A person who timely files a personal property return under
19 IC 6-1.1-3-7(a) for an assessment year and who desires to claim the
20 deduction provided in section 31 of this chapter for property that is not
21 assessed under IC 6-1.1-7 must file the statement described in
22 subsection (a) during the twelve (12) months before June 11 of that
23 year. A person who obtains a filing extension under IC 6-1.1-3-7(b) for
24 an assessment year must file the application between March 1 and the
25 extended due date for that year.

26 (f) This subsection applies only to an application for a deduction
27 under section 34.5 of this chapter. The center for coal technology
28 research established by IC 21-47-4-1, upon receiving an application
29 from the owner of a building, shall determine whether the building
30 qualifies for a deduction under section 34.5 of this chapter. If the center
31 determines that a building qualifies for a deduction, the center shall
32 certify the building and provide proof of the certification to the owner
33 of the building. The center shall prescribe the form and procedure for
34 certification of buildings under this subsection. If the center receives
35 an application for certification of a building under section 34.5 of this
36 chapter before May 11 of an assessment year:

37 (1) the center shall determine whether the building qualifies for
38 a deduction before June 11 of the assessment year; and

39 (2) if the center fails to make a determination before June 11 of
40 the assessment year, the building is considered certified.

41 SECTION 113. IC 6-1.1-12-37, AS AMENDED BY P.L.224-2007,
42 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

1 JANUARY 1, 2009]: Sec. 37. (a) **The following definitions apply**
 2 **throughout this section:**

3 (1) **"Dwelling" means any of the following:**

4 (A) **Residential real property improvements that an**
 5 **individual uses as the individual's residence, including a**
 6 **house or garage.**

7 (B) **A mobile home that is not assessed as real property**
 8 **that an individual uses as the individual's residence.**

9 (C) **A manufactured home that is not assessed as real**
 10 **property that an individual uses as the individual's**
 11 **residence.**

12 (2) **"Homestead" means an individual's principal place of**
 13 **residence that:**

14 (A) **is located in Indiana;**

15 (B) **the individual either owns or is buying under a**
 16 **contract, recorded in the county recorder's office, that**
 17 **provides that the individual is to pay the property taxes on**
 18 **the residence; and**

19 (C) **consists of a dwelling and the real estate, not exceeding**
 20 **one (1) acre, that immediately surrounds that dwelling.**

21 (b) **Each year a person an individual who on March 1 of a**
 22 **particular year or, in the case of a mobile home that is assessed as**
 23 **personal property, the immediately following January 15, either**
 24 **owns or is buying a homestead under a contract, recorded in the**
 25 **county recorder's office, that provides the individual is to pay**
 26 **property taxes on the homestead is entitled to receive the homestead**
 27 **credit provided under IC 6-1.1-20-9 for property taxes payable in the**
 28 **following year is entitled to a standard deduction from the assessed**
 29 **value of the real property; mobile home not assessed as real property;**
 30 **or manufactured home not assessed as real property that qualifies for**
 31 **the homestead. credit. The auditor of the county shall record and make**
 32 **the deduction for the person qualifying for the deduction.**

33 (c) **Except as provided in section 40.5 of this chapter, the total**
 34 **amount of the deduction that a person may receive under this section**
 35 **for a particular year is the lesser of:**

36 (1) **one-half (1/2) of the assessed value of the real property,**
 37 **mobile home not assessed as real property, or manufactured home**
 38 **not assessed as real property; or**

39 (2) **for property taxes first due and payable:**

40 (A) **before January 1, 2007, thirty-five thousand dollars**
 41 **(\$35,000);**

42 (B) **after December 31, 2006, and before January 1, 2009;**

1 forty-five thousand dollars (\$45,000);
 2 ~~(C)~~ (A) after December 31, 2008, and before January 1, 2010,
 3 forty-four thousand dollars (\$44,000);
 4 ~~(D)~~ (B) after December 31, 2009, and before January 1, 2011,
 5 forty-three thousand dollars (\$43,000);
 6 ~~(E)~~ (C) after December 31, 2010, and before January 1, 2012,
 7 forty-two thousand dollars (\$42,000);
 8 ~~(F)~~ (D) after December 31, 2011, and before January 1, 2013,
 9 forty-one thousand dollars (\$41,000); and
 10 ~~(G)~~ (E) after December 31, 2012, forty thousand dollars
 11 (\$40,000).

12 ~~(c)~~ (d) A person who has sold real property, a mobile home not
 13 assessed as real property, or a manufactured home not assessed as real
 14 property to another person under a contract that provides that the
 15 contract buyer is to pay the property taxes on the real property, mobile
 16 home, or manufactured home may not claim the deduction provided
 17 under this section with respect to that real property, mobile home, or
 18 manufactured home.

19 SECTION 114. IC 6-1.1-12-37.5 IS ADDED TO THE INDIANA
 20 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 21 [EFFECTIVE JANUARY 1, 2009]: **Sec. 37.5. (a) A person who is**
 22 **entitled to a standard deduction from the assessed value of**
 23 **property under section 37 of this chapter is also entitled to receive**
 24 **a supplemental deduction from the assessed value of the homestead**
 25 **to which the standard deduction applies after the application of the**
 26 **standard deduction but before the application of any other**
 27 **deduction, exemption, or credit for which the person is eligible.**

28 (b) **The amount of the deduction under this section is equal to**
 29 **the sum of the following:**

30 (1) **Thirty-five percent (35%) of the assessed value**
 31 **determined under subsection (a) that is not more than six**
 32 **hundred thousand dollars (\$600,000).**

33 (2) **Twenty-five percent (25%) of the assessed value**
 34 **determined under subsection (a) that is more than six**
 35 **hundred thousand dollars (\$600,000).**

36 (c) **The auditor of the county shall record and make the**
 37 **deduction for the person qualifying for the deduction.**

38 (d) **The deduction granted under this section shall not be**
 39 **considered in applying section 40.5 of this chapter to the**
 40 **deductions applicable to property. Section 40.5 of this chapter does**
 41 **not apply to the deduction granted under this section.**

42 SECTION 115. IC 6-1.1-12-38, AS AMENDED BY P.L.154-2006,

1 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2008]: Sec. 38. (a) A person is entitled to a deduction from the
3 assessed value of the person's property in an amount equal to the
4 difference between:

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

10 (2) the assessed value of the person's property, excluding the
11 assessed value of the improvements made to comply with the
12 fertilizer storage rules adopted by the state chemist under
13 IC 15-3-3-12 and the pesticide storage rules adopted by the state
14 chemist under IC 15-3-3.5-11.

15 (b) To obtain the deduction under this section, a person must file a
16 certified statement in duplicate, on forms prescribed by the department
17 of local government finance, with the auditor of the county in which the
18 property is subject to assessment. In addition to the certified statement,
19 the person must file a certification by the state chemist listing the
20 improvements that were made to comply with the fertilizer storage
21 rules adopted under IC 15-3-3-12 and the pesticide storage rules
22 adopted by the state chemist under IC 15-3-3.5-11. The statement and
23 certification must be filed before June 11 of the year preceding the year
24 the deduction will first be applied. Upon the verification of the
25 statement and certification by the assessor of the township in which the
26 property is subject to assessment, **or the county assessor if there is no**
27 **township assessor for the township**, the county auditor shall allow the
28 deduction.

29 SECTION 116. IC 6-1.1-12-41, AS AMENDED BY P.L.199-2005,
30 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JULY 1, 2008]: Sec. 41. (a) This section does not apply to assessment
32 years beginning after December 31, 2005.

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

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

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

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

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

7 (1) if adopted before March 31, 2004, to each subsequent
 8 assessment year ending before January 1, 2006; and

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

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

16 (g) An ordinance may not be adopted under subsection (f) after May
 17 30, 2005. However, an ordinance adopted under this section:

18 (1) before March 31, 2004, may be amended after March 30,
 19 2004; and

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

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

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

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

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

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

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

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

40 (j) The department of local government finance shall incorporate the
 41 deduction established in this section in the personal property return
 42 form to be used each year for filing under IC 6-1.1-3-7 or

1 IC 6-1.1-3-7.5 to permit the taxpayer to enter the deduction on the
 2 form. If a taxpayer fails to enter the deduction on the form, the
 3 township assessor, **or the county assessor if there is no township**
 4 **assessor for the township**, shall:

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

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

- 11 (1) an assessing official;
- 12 (2) a county property tax board of appeals; or
- 13 (3) the department of local government finance.

14 SECTION 117. IC 6-1.1-12-42 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 42. (a) As used in this
 16 section, "assessed value of inventory" means the assessed value
 17 determined after the application of any deductions or adjustments that
 18 apply by statute or rule to the assessment of inventory, other than the
 19 deduction established in subsection (c).

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

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

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

28 (e) The department of local government finance shall incorporate
 29 the deduction established by this section in the personal property return
 30 form to be used each year for filing under IC 6-1.1-3-7 or
 31 IC 6-1.1-3-7.5 to permit the taxpayer to enter the deduction on the
 32 form. If a taxpayer fails to enter the deduction on the form, the
 33 township assessor, **or the county assessor if there is no township**
 34 **assessor for the township**, shall:

- 35 (1) determine the amount of the deduction; and
- 36 (2) within the period established in IC 6-1.1-16-1, issue a notice
 37 of assessment to the taxpayer that reflects the application of the
 38 deduction to the inventory assessment.

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

- 41 (1) an assessing official;
- 42 (2) a county property tax assessment board of appeals; or

1 (3) the department of local government finance.

2 SECTION 118. IC 6-1.1-12-43 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 43. (a) For
4 purposes of this section:

5 (1) "benefit" refers to

6 ~~(A) a deduction under section 1, 9, 11, 13, 14, 16, 17.4, 26, 29,~~
7 ~~31, 33, or 34 of this chapter; or~~

8 ~~(B) the homestead credit under IC 6-1.1-20.9-2;~~

9 (2) "closing agent" means a person that closes a transaction;

10 (3) "customer" means an individual who obtains a loan in a
11 transaction; and

12 (4) "transaction" means a single family residential:

13 (A) first lien purchase money mortgage transaction; or

14 (B) refinancing transaction.

15 (b) Before closing a transaction after December 31, 2004, a closing
16 agent must provide to the customer the form referred to in subsection
17 (c).

18 (c) Before June 1, 2004, the department of local government finance
19 shall prescribe the form to be provided by closing agents to customers
20 under subsection (b). The department shall make the form available to
21 closing agents, county assessors, county auditors, and county treasurers
22 in hard copy and electronic form. County assessors, county auditors,
23 and county treasurers shall make the form available to the general
24 public. The form must:

25 (1) on one (1) side:

26 (A) list each benefit;

27 (B) list the eligibility criteria for each benefit; and

28 (C) indicate that a new application for a deduction under
29 section 1 of this chapter is required when residential real
30 property is refinanced;

31 (2) on the other side indicate:

32 (A) each action by; and

33 (B) each type of documentation from;

34 the customer required to file for each benefit; and

35 (3) be printed in one (1) of two (2) or more colors prescribed by
36 the department of local government finance that distinguish the
37 form from other documents typically used in a closing referred to
38 in subsection (b).

39 (d) A closing agent:

40 (1) may reproduce the form referred to in subsection (c);

41 (2) in reproducing the form, must use a print color prescribed by
42 the department of local government finance; and

1 (3) is not responsible for the content of the form referred to in
 2 subsection (c) and shall be held harmless by the department of
 3 local government finance from any liability for the content of the
 4 form.

5 (e) A closing agent to which this section applies shall document its
 6 compliance with this section with respect to each transaction in the
 7 form of verification of compliance signed by the customer.

8 (f) A closing agent is subject to a civil penalty of twenty-five dollars
 9 (\$25) for each instance in which the closing agent fails to comply with
 10 this section with respect to a customer. The penalty:

11 (1) may be enforced by the state agency that has administrative
 12 jurisdiction over the closing agent in the same manner that the
 13 agency enforces the payment of fees or other penalties payable to
 14 the agency; and

15 (2) shall be paid into the **property tax replacement state general**
 16 **fund**.

17 A closing agent is not liable for any other damages claimed by a
 18 customer because of the closing agent's mere failure to provide the
 19 appropriate document to the customer.

20 (g) The state agency that has administrative jurisdiction over a
 21 closing agent shall:

22 (1) examine the closing agent to determine compliance with this
 23 section; and

24 (2) impose and collect penalties under subsection (f).

25 SECTION 119. IC 6-1.1-12.1-2, AS AMENDED BY P.L.154-2006,
 26 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2008]: Sec. 2. (a) A designating body may find that a
 28 particular area within its jurisdiction is an economic revitalization area.
 29 However, the deduction provided by this chapter for economic
 30 revitalization areas not within a city or town shall not be available to
 31 retail businesses.

32 (b) In a county containing a consolidated city or within a city or
 33 town, a designating body may find that a particular area within its
 34 jurisdiction is a residentially distressed area. Designation of an area as
 35 a residentially distressed area has the same effect as designating an
 36 area as an economic revitalization area, except that the amount of the
 37 deduction shall be calculated as specified in section 4.1 of this chapter
 38 and the deduction is allowed for not more than five (5) years. In order
 39 to declare a particular area a residentially distressed area, the
 40 designating body must follow the same procedure that is required to
 41 designate an area as an economic revitalization area and must make all
 42 the following additional findings or all the additional findings

1 described in subsection (c):

2 (1) The area is comprised of parcels that are either unimproved or
3 contain only one (1) or two (2) family dwellings or multifamily
4 dwellings designed for up to four (4) families, including accessory
5 buildings for those dwellings.

6 (2) Any dwellings in the area are not permanently occupied and
7 are:

8 (A) the subject of an order issued under IC 36-7-9; or

9 (B) evidencing significant building deficiencies.

10 (3) Parcels of property in the area:

11 (A) have been sold and not redeemed under IC 6-1.1-24 and
12 IC 6-1.1-25; or

13 (B) are owned by a unit of local government.

14 However, in a city in a county having a population of more than two
15 hundred thousand (200,000) but less than three hundred thousand
16 (300,000), the designating body is only required to make one (1) of the
17 additional findings described in this subsection or one (1) of the
18 additional findings described in subsection (c).

19 (c) In a county containing a consolidated city or within a city or
20 town, a designating body that wishes to designate a particular area a
21 residentially distressed area may make the following additional
22 findings as an alternative to the additional findings described in
23 subsection (b):

24 (1) A significant number of dwelling units within the area are not
25 permanently occupied or a significant number of parcels in the
26 area are vacant land.

27 (2) A significant number of dwelling units within the area are:

28 (A) the subject of an order issued under IC 36-7-9; or

29 (B) evidencing significant building deficiencies.

30 (3) The area has experienced a net loss in the number of dwelling
31 units, as documented by census information, local building and
32 demolition permits, or certificates of occupancy, or the area is
33 owned by Indiana or the United States.

34 (4) The area (plus any areas previously designated under this
35 subsection) will not exceed ten percent (10%) of the total area
36 within the designating body's jurisdiction.

37 However, in a city in a county having a population of more than two
38 hundred thousand (200,000) but less than three hundred thousand
39 (300,000), the designating body is only required to make one (1) of the
40 additional findings described in this subsection as an alternative to one
41 (1) of the additional findings described in subsection (b).

42 (d) A designating body is required to attach the following conditions

1 to the grant of a residentially distressed area designation:

2 (1) The deduction will not be allowed unless the dwelling is
3 rehabilitated to meet local code standards for habitability.

4 (2) If a designation application is filed, the designating body may
5 require that the redevelopment or rehabilitation be completed
6 within a reasonable period of time.

7 (e) To make a designation described in subsection (a) or (b), the
8 designating body shall use procedures prescribed in section 2.5 of this
9 chapter.

10 (f) The property tax deductions provided by section 3, 4.5, or 4.8 of
11 this chapter are only available within an area which the designating
12 body finds to be an economic revitalization area.

13 (g) The designating body may adopt a resolution establishing
14 general standards to be used, along with the requirements set forth in
15 the definition of economic revitalization area, by the designating body
16 in finding an area to be an economic revitalization area. The standards
17 must have a reasonable relationship to the development objectives of
18 the area in which the designating body has jurisdiction. The following
19 four (4) sets of standards may be established:

20 (1) One (1) relative to the deduction under section 3 of this
21 chapter for economic revitalization areas that are not residentially
22 distressed areas.

23 (2) One (1) relative to the deduction under section 3 of this
24 chapter for residentially distressed areas.

25 (3) One (1) relative to the deduction allowed under section 4.5 of
26 this chapter.

27 (4) One (1) relative to the deduction allowed under section 4.8 of
28 this chapter.

29 (h) A designating body may impose a fee for filing a designation
30 application for a person requesting the designation of a particular area
31 as an economic revitalization area. The fee may be sufficient to defray
32 actual processing and administrative costs. However, the fee charged
33 for filing a designation application for a parcel that contains one (1) or
34 more owner-occupied, single-family dwellings may not exceed the cost
35 of publishing the required notice.

36 (i) In declaring an area an economic revitalization area, the
37 designating body may:

38 (1) limit the time period to a certain number of calendar years
39 during which the economic revitalization area shall be so
40 designated;

41 (2) limit the type of deductions that will be allowed within the
42 economic revitalization area to the deduction allowed under

- 1 section 3 of this chapter, the deduction allowed under section 4.5
 2 of this chapter, the deduction allowed under section 4.8 of this
 3 chapter, or any combination of these deductions;
 4 (3) limit the dollar amount of the deduction that will be allowed
 5 with respect to new manufacturing equipment, new research and
 6 development equipment, new logistical distribution equipment,
 7 and new information technology equipment if a deduction under
 8 this chapter had not been filed before July 1, 1987, for that
 9 equipment;
 10 (4) limit the dollar amount of the deduction that will be allowed
 11 with respect to redevelopment and rehabilitation occurring in
 12 areas that are designated as economic revitalization areas on or
 13 after September 1, 1988;
 14 (5) limit the dollar amount of the deduction that will be allowed
 15 under section 4.8 of this chapter with respect to the occupation of
 16 an eligible vacant building; or
 17 (6) impose reasonable conditions related to the purpose of this
 18 chapter or to the general standards adopted under subsection (g)
 19 for allowing the deduction for the redevelopment or rehabilitation
 20 of the property or the installation of the new manufacturing
 21 equipment, new research and development equipment, new
 22 logistical distribution equipment, or new information technology
 23 equipment.

24 To exercise one (1) or more of these powers, a designating body must
 25 include this fact in the resolution passed under section 2.5 of this
 26 chapter.

27 (j) Notwithstanding any other provision of this chapter, if a
 28 designating body limits the time period during which an area is an
 29 economic revitalization area, that limitation does not:

- 30 (1) prevent a taxpayer from obtaining a deduction for new
 31 manufacturing equipment, new research and development
 32 equipment, new logistical distribution equipment, or new
 33 information technology equipment installed on or before the
 34 approval deadline determined under section 9 of this chapter, but
 35 after the expiration of the economic revitalization area if:
 36 (A) the economic revitalization area designation expires after
 37 December 30, 1995; and
 38 (B) the new manufacturing equipment, new research and
 39 development equipment, new logistical distribution
 40 equipment, or new information technology equipment was
 41 described in a statement of benefits submitted to and approved
 42 by the designating body in accordance with section 4.5 of this

- 1 chapter before the expiration of the economic revitalization
 2 area designation; or
- 3 (2) limit the length of time a taxpayer is entitled to receive a
 4 deduction to a number of years that is less than the number of
 5 years designated under section 4, 4.5, or 4.8 of this chapter.
- 6 (k) Notwithstanding any other provision of this chapter, deductions:
 7 (1) that are authorized under section 3 of this chapter for property
 8 in an area designated as an urban development area before March
 9 1, 1983, and that are based on an increase in assessed valuation
 10 resulting from redevelopment or rehabilitation that occurs before
 11 March 1, 1983; or
- 12 (2) that are authorized under section 4.5 of this chapter for new
 13 manufacturing equipment installed in an area designated as an
 14 urban development area before March 1, 1983;
- 15 apply according to the provisions of this chapter as they existed at the
 16 time that an application for the deduction was first made. No deduction
 17 that is based on the location of property or new manufacturing
 18 equipment in an urban development area is authorized under this
 19 chapter after February 28, 1983, unless the initial increase in assessed
 20 value resulting from the redevelopment or rehabilitation of the property
 21 or the installation of the new manufacturing equipment occurred before
 22 March 1, 1983.
- 23 (l) **In addition to the other requirements of this chapter**, if
 24 property located in an economic revitalization area is also located in an
 25 allocation area (as defined in IC 36-7-14-39 or IC 36-7-15.1-26), ~~an~~
 26 ~~application for the property tax deduction provided by this chapter a~~
 27 **taxpayer's statement of benefits concerning that property** may not
 28 be approved **under this chapter** unless ~~the commission that designated~~
 29 ~~the allocation area adopts a resolution approving the application~~
 30 **statement of benefits is adopted by the legislative body of the unit**
 31 **that approved the designation of the allocation area.**
- 32 SECTION 120. IC 6-1.1-12.1-4.5, AS AMENDED BY
 33 P.L.137-2007, SECTION 3, AND AS AMENDED BY P.L.219-2007,
 34 SECTION 31, IS CORRECTED AND AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:
 36 Sec. 4.5. (a) For purposes of this section, "personal property" means
 37 ~~personal property other than inventory (as defined in IC 6-1.1-3-11(a)).~~
- 38 (b) (a) An applicant must provide a statement of benefits to the
 39 designating body. The applicant must provide the completed statement
 40 of benefits form to the designating body before the hearing specified in
 41 section 2.5(c) of this chapter or before the installation of the new
 42 manufacturing equipment, new research and development equipment,

1 new logistical distribution equipment, or new information technology
 2 equipment for which the person desires to claim a deduction under this
 3 chapter. The department of local government finance shall prescribe a
 4 form for the statement of benefits. The statement of benefits must
 5 include the following information:

6 (1) A description of the new manufacturing equipment, new
 7 research and development equipment, new logistical distribution
 8 equipment, or new information technology equipment that the
 9 person proposes to acquire.

10 (2) With respect to:

11 (A) new manufacturing equipment not used to dispose of solid
 12 waste or hazardous waste by converting the solid waste or
 13 hazardous waste into energy or other useful products; and

14 (B) new research and development equipment, new logistical
 15 distribution equipment, or new information technology
 16 equipment;

17 an estimate of the number of individuals who will be employed or
 18 whose employment will be retained by the person as a result of
 19 the installation of the new manufacturing equipment, new
 20 research and development equipment, new logistical distribution
 21 equipment, or new information technology equipment and an
 22 estimate of the annual salaries of these individuals.

23 (3) An estimate of the cost of the new manufacturing equipment,
 24 new research and development equipment, new logistical
 25 distribution equipment, or new information technology
 26 equipment.

27 (4) With respect to new manufacturing equipment used to dispose
 28 of solid waste or hazardous waste by converting the solid waste
 29 or hazardous waste into energy or other useful products, an
 30 estimate of the amount of solid waste or hazardous waste that will
 31 be converted into energy or other useful products by the new
 32 manufacturing equipment.

33 The statement of benefits may be incorporated in a designation
 34 application. Notwithstanding any other law, a statement of benefits is
 35 a public record that may be inspected and copied under IC 5-14-3-3.

36 ~~(c)~~ **(b)** The designating body must review the statement of benefits
 37 required under subsection ~~(b)~~: **(a)**. The designating body shall
 38 determine whether an area should be designated an economic
 39 revitalization area or whether the deduction shall be allowed, based on
 40 (and after it has made) the following findings:

41 (1) Whether the estimate of the cost of the new manufacturing
 42 equipment, new research and development equipment, new

1 logistical distribution equipment, or new information technology
2 equipment is reasonable for equipment of that type.

3 (2) With respect to:

4 (A) new manufacturing equipment not used to dispose of solid
5 waste or hazardous waste by converting the solid waste or
6 hazardous waste into energy or other useful products; and

7 (B) new research and development equipment, new logistical
8 distribution equipment, or new information technology
9 equipment;

10 whether the estimate of the number of individuals who will be
11 employed or whose employment will be retained can be
12 reasonably expected to result from the installation of the new
13 manufacturing equipment, new research and development
14 equipment, new logistical distribution equipment, or new
15 information technology equipment.

16 (3) Whether the estimate of the annual salaries of those
17 individuals who will be employed or whose employment will be
18 retained can be reasonably expected to result from the proposed
19 installation of new manufacturing equipment, new research and
20 development equipment, new logistical distribution equipment, or
21 new information technology equipment.

22 (4) With respect to new manufacturing equipment used to dispose
23 of solid waste or hazardous waste by converting the solid waste
24 or hazardous waste into energy or other useful products, whether
25 the estimate of the amount of solid waste or hazardous waste that
26 will be converted into energy or other useful products can be
27 reasonably expected to result from the installation of the new
28 manufacturing equipment.

29 (5) Whether any other benefits about which information was
30 requested are benefits that can be reasonably expected to result
31 from the proposed installation of new manufacturing equipment,
32 new research and development equipment, new logistical
33 distribution equipment, or new information technology
34 equipment.

35 (6) Whether the totality of benefits is sufficient to justify the
36 deduction.

37 The designating body may not designate an area an economic
38 revitalization area or approve the deduction unless it makes the
39 findings required by this subsection in the affirmative.

40 ~~(d)~~ (c) Except as provided in subsection ~~(f)~~, (g), and subject to
41 subsection ~~(i)~~ (h) and section 15 of this chapter, an owner of new
42 manufacturing equipment, new research and development equipment,

1 new logistical distribution equipment, or new information technology
 2 equipment whose statement of benefits is approved after June 30, 2000,
 3 is entitled to a deduction from the assessed value of that equipment for
 4 the number of years determined by the designating body under
 5 subsection ~~(g)~~ **(f)**. Except as provided in subsection ~~(f)~~ **(e)** and in
 6 section 2(i)(3) of this chapter, and subject to subsection ~~(f)~~ **(h)** and
 7 *section 15 of this chapter*, the amount of the deduction that an owner
 8 is entitled to for a particular year equals the product of:

- 9 (1) the assessed value of the new manufacturing equipment, new
 10 research and development equipment, new logistical distribution
 11 equipment, or new information technology equipment in the year
 12 of deduction under the appropriate table set forth in subsection
 13 ~~(e)~~ **(d)**; multiplied by
 14 (2) the percentage prescribed in the appropriate table set forth in
 15 subsection ~~(e)~~ **(d)**.

16 ~~(e)~~ **(d)** The percentage to be used in calculating the deduction under
 17 subsection ~~(d)~~ **(c)** is as follows:

- 18 (1) For deductions allowed over a one (1) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd and thereafter	0%

- 22 (2) For deductions allowed over a two (2) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	50%
3rd and thereafter	0%

- 27 (3) For deductions allowed over a three (3) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	66%
3rd	33%
4th and thereafter	0%

- 33 (4) For deductions allowed over a four (4) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	75%
3rd	50%
4th	25%
5th and thereafter	0%

- 40 (5) For deductions allowed over a five (5) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%

1	2nd	80%
2	3rd	60%
3	4th	40%
4	5th	20%
5	6th and thereafter	0%

(6) For deductions allowed over a six (6) year period:

7	YEAR OF DEDUCTION	PERCENTAGE
8	1st	100%
9	2nd	85%
10	3rd	66%
11	4th	50%
12	5th	34%
13	6th	25%
14	7th and thereafter	0%

(7) For deductions allowed over a seven (7) year period:

16	YEAR OF DEDUCTION	PERCENTAGE
17	1st	100%
18	2nd	85%
19	3rd	71%
20	4th	57%
21	5th	43%
22	6th	29%
23	7th	14%
24	8th and thereafter	0%

(8) For deductions allowed over an eight (8) year period:

26	YEAR OF DEDUCTION	PERCENTAGE
27	1st	100%
28	2nd	88%
29	3rd	75%
30	4th	63%
31	5th	50%
32	6th	38%
33	7th	25%
34	8th	13%
35	9th and thereafter	0%

(9) For deductions allowed over a nine (9) year period:

37	YEAR OF DEDUCTION	PERCENTAGE
38	1st	100%
39	2nd	88%
40	3rd	77%
41	4th	66%
42	5th	55%

1	6th	44%
2	7th	33%
3	8th	22%
4	9th	11%
5	10th and thereafter	0%

6 (10) For deductions allowed over a ten (10) year period:

7	YEAR OF DEDUCTION	PERCENTAGE
8	1st	100%
9	2nd	90%
10	3rd	80%
11	4th	70%
12	5th	60%
13	6th	50%
14	7th	40%
15	8th	30%
16	9th	20%
17	10th	10%
18	11th and thereafter	0%

19 ~~(f)~~ (e) With respect to new manufacturing equipment and new
 20 research and development equipment installed before March 2, 2001,
 21 the deduction under this section is the amount that causes the net
 22 assessed value of the property after the application of the deduction
 23 under this section to equal the net assessed value after the application
 24 of the deduction under this section that results from computing:

- 25 (1) the deduction under this section as in effect on March 1, 2001;
- 26 and
- 27 (2) the assessed value of the property under 50 IAC 4.2, as in
- 28 effect on March 1, 2001, or, in the case of property subject to
- 29 IC 6-1.1-8, 50 IAC 5.1, as in effect on March 1, 2001.

30 ~~(g)~~ (f) For an economic revitalization area designated before July 1,
 31 2000, the designating body shall determine whether a property owner
 32 whose statement of benefits is approved after April 30, 1991, is entitled
 33 to a deduction for five (5) or ten (10) years. For an economic
 34 revitalization area designated after June 30, 2000, the designating body
 35 shall determine the number of years the deduction is allowed. However,
 36 the deduction may not be allowed for more than ten (10) years. This
 37 determination shall be made:

- 38 (1) as part of the resolution adopted under section 2.5 of this
- 39 chapter; or
- 40 (2) by resolution adopted within sixty (60) days after receiving a
- 41 copy of a property owner's certified deduction application from
- 42 the county auditor. A certified copy of the resolution shall be sent

1 to the county auditor.

2 A determination about the number of years the deduction is allowed
3 that is made under subdivision (1) is final and may not be changed by
4 following the procedure under subdivision (2).

5 ~~(h)~~ **(g)** The owner of new manufacturing equipment that is directly
6 used to dispose of hazardous waste is not entitled to the deduction
7 provided by this section for a particular assessment year if during that
8 assessment year the owner:

9 (1) is convicted of a *criminal* violation under *IC 13*, including
10 *IC 13-7-13-3* (repealed) or *IC 13-7-13-4* (repealed); ~~or~~
11 ~~*IC 13-30-6*~~; or

12 (2) is subject to an order or a consent decree with respect to
13 property located in Indiana based on a violation of a federal or
14 state rule, regulation, or statute governing the treatment, storage,
15 or disposal of hazardous wastes that had a major or moderate
16 potential for harm.

17 ~~(i)~~ **(h)** For purposes of subsection ~~(d)~~; **(c)**, the assessed value of new
18 manufacturing equipment, new research and development equipment,
19 new logistical distribution equipment, or new information technology
20 equipment that is part of an owner's assessable depreciable personal
21 property in a single taxing district subject to the valuation limitation in
22 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 is the product of:

23 (1) the assessed value of the equipment determined without
24 regard to the valuation limitation in 50 IAC 4.2-4-9 or 50
25 IAC 5.1-6-9; multiplied by

26 (2) the quotient of:

27 (A) the amount of the valuation limitation determined under
28 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 for all of the owner's
29 depreciable personal property in the taxing district; divided by
30 (B) the total true tax value of all of the owner's depreciable
31 personal property in the taxing district that is subject to the
32 valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9
33 determined:

34 (i) under the depreciation schedules in the rules of the
35 department of local government finance before any
36 adjustment for abnormal obsolescence; and

37 (ii) without regard to the valuation limitation in 50
38 IAC 4.2-4-9 or 50 IAC 5.1-6-9.

39 SECTION 121. IC 6-1.1-12.1-4.7 IS AMENDED TO READ AS
40 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:
41 Sec. 4.7. (a) Section ~~4.5(f)~~ **4.5 (e)** of this chapter does not apply to new
42 manufacturing equipment located in a township having a population of

1 more than four thousand (4,000) but less than seven thousand (7,000)
 2 located in a county having a population of more than forty thousand
 3 (40,000) but less than forty thousand nine hundred (40,900) if the total
 4 original cost of all new manufacturing equipment placed into service
 5 by the owner during the preceding sixty (60) months exceeds fifty
 6 million dollars (\$50,000,000), and if the economic revitalization area
 7 in which the new manufacturing equipment was installed was approved
 8 by the designating body before September 1, 1994.

9 (b) Section ~~4.5(f)~~ **4.5(e)** of this chapter does not apply to new
 10 manufacturing equipment located in a county having a population of
 11 more than thirty-two thousand (32,000) but less than thirty-three
 12 thousand (33,000) if:

13 (1) the total original cost of all new manufacturing equipment
 14 placed into service in the county by the owner exceeds five
 15 hundred million dollars (\$500,000,000); and

16 (2) the economic revitalization area in which the new
 17 manufacturing equipment was installed was approved by the
 18 designating body before January 1, 2001.

19 (c) A deduction under section ~~4.5(d)~~ **4.5(c)** of this chapter is not
 20 allowed with respect to new manufacturing equipment described in
 21 subsection (b) in the first year the deduction is claimed or in
 22 subsequent years as permitted by section ~~4.5(d)~~ **4.5(c)** of this chapter
 23 to the extent the deduction would cause the assessed value of all real
 24 property and personal property of the owner in the taxing district to be
 25 less than the incremental net assessed value for that year.

26 (d) The following apply for purposes of subsection (c):

27 (1) A deduction under section ~~4.5(d)~~ **4.5(c)** of this chapter shall
 28 be disallowed only with respect to new manufacturing equipment
 29 installed after March 1, 2000.

30 (2) "Incremental net assessed value" means the sum of:

31 (A) the net assessed value of real property and depreciable
 32 personal property from which property tax revenues are
 33 required to be held in trust and pledged for the benefit of the
 34 owners of bonds issued by the redevelopment commission of
 35 a county described in subsection (b) under resolutions adopted
 36 November 16, 1998, and July 13, 2000 (as amended
 37 November 27, 2000); plus

38 (B) fifty-four million four hundred eighty-one thousand seven
 39 hundred seventy dollars (\$54,481,770).

40 (3) The assessed value of real property and personal property of
 41 the owner shall be determined after the deductions provided by
 42 sections 3 and 4.5 of this chapter.

1 (4) The personal property of the owner shall include inventory.

2 (5) The amount of deductions provided by section 4.5 of this
3 chapter with respect to new manufacturing equipment that was
4 installed on or before March 1, 2000, shall be increased from
5 thirty-three and one-third percent (33 1/3%) of true tax value to
6 one hundred percent (100%) of true tax value for assessment
7 dates after February 28, 2001.

8 (e) A deduction not fully allowed under subsection (c) in the first
9 year the deduction is claimed or in a subsequent year permitted by
10 section 4.5 of this chapter shall be carried over and allowed as a
11 deduction in succeeding years. A deduction that is carried over to a
12 year but is not allowed in that year under this subsection shall be
13 carried over and allowed as a deduction in succeeding years. The
14 following apply for purposes of this subsection:

15 (1) A deduction that is carried over to a succeeding year is not
16 allowed in that year to the extent that the deduction, together
17 with:

18 (A) deductions otherwise allowed under section 3 of this
19 chapter;

20 (B) deductions otherwise allowed under section 4.5 of this
21 chapter; and

22 (C) other deductions carried over to the year under this
23 subsection;

24 would cause the assessed value of all real property and personal
25 property of the owner in the taxing district to be less than the
26 incremental net assessed value for that year.

27 (2) Each time a deduction is carried over to a succeeding year, the
28 deduction shall be reduced by the amount of the deduction that
29 was allowed in the immediately preceding year.

30 (3) A deduction may not be carried over to a succeeding year
31 under this subsection if such year is after the period specified in
32 section ~~4.5(d)~~ 4.5(c) of this chapter or the period specified in a
33 resolution adopted by the designating body under section ~~4.5(h)~~
34 4.5(g) of this chapter.

35 SECTION 122. IC 6-1.1-12.1-5, AS AMENDED BY P.L.193-2005,
36 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
37 JULY 1, 2008]: Sec. 5. (a) A property owner who desires to obtain the
38 deduction provided by section 3 of this chapter must file a certified
39 deduction application, on forms prescribed by the department of local
40 government finance, with the auditor of the county in which the
41 property is located. Except as otherwise provided in subsection (b) or
42 (e), the deduction application must be filed before May 10 of the year

1 in which the addition to assessed valuation is made.

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

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

10 (1) The name of the property owner.

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

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

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

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

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

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

23 (d) A deduction application filed under subsection (a) or (b) is
24 applicable for the year in which the addition to assessed value or
25 assessment of a new structure is made and in the following years the
26 deduction is allowed without any additional deduction application
27 being filed. However, property owners who had an area designated an
28 urban development area pursuant to a deduction application filed prior
29 to January 1, 1979, are only entitled to a deduction for a five (5) year
30 period. In addition, property owners who are entitled to a deduction
31 under this chapter pursuant to a deduction application filed after
32 December 31, 1978, and before January 1, 1986, are entitled to a
33 deduction for a ten (10) year period.

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

- 1 (f) Subject to subsection (i), the county auditor shall act as follows:
- 2 (1) If a determination about the number of years the deduction is
- 3 allowed has been made in the resolution adopted under section
- 4 2.5 of this chapter, the county auditor shall make the appropriate
- 5 deduction.
- 6 (2) If a determination about the number of years the deduction is
- 7 allowed has not been made in the resolution adopted under
- 8 section 2.5 of this chapter, the county auditor shall send a copy of
- 9 the deduction application to the designating body. Upon receipt
- 10 of the resolution stating the number of years the deduction will be
- 11 allowed, the county auditor shall make the appropriate deduction.
- 12 (3) If the deduction application is for rehabilitation or
- 13 redevelopment in a residentially distressed area, the county
- 14 auditor shall make the appropriate deduction.
- 15 (g) The amount and period of the deduction provided for property
- 16 by section 3 of this chapter are not affected by a change in the
- 17 ownership of the property if the new owner of the property:
- 18 (1) continues to use the property in compliance with any
- 19 standards established under section 2(g) of this chapter; and
- 20 (2) files an application in the manner provided by subsection (e).
- 21 (h) The township **or county** assessor shall include a notice of the
- 22 deadlines for filing a deduction application under subsections (a) and
- 23 (b) with each notice to a property owner of an addition to assessed
- 24 value or of a new assessment.
- 25 (i) Before the county auditor acts under subsection (f), the county
- 26 auditor may request that the township assessor of the township in
- 27 which the property is located, **or the county assessor if there is no**
- 28 **township assessor for the township**, review the deduction application.
- 29 (j) A property owner may appeal a determination of the county
- 30 auditor under subsection (f) to deny or alter the amount of the
- 31 deduction by requesting in writing a preliminary conference with the
- 32 county auditor not more than forty-five (45) days after the county
- 33 auditor gives the person notice of the determination. An appeal
- 34 initiated under this subsection is processed and determined in the same
- 35 manner that an appeal is processed and determined under IC 6-1.1-15.
- 36 SECTION 123. IC 6-1.1-12.1-5.3, AS ADDED BY P.L.154-2006,
- 37 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 38 JULY 1, 2008]: Sec. 5.3. (a) A property owner that desires to obtain the
- 39 deduction provided by section 4.8 of this chapter must file a deduction
- 40 application, on forms prescribed by the department of local government
- 41 finance, with the auditor of the county in which the eligible vacant
- 42 building is located. Except as otherwise provided in this section, the

1 deduction application must be filed before May 10 of the year in which
2 the property owner or a tenant of the property owner initially occupies
3 the eligible vacant building.

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

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

12 (1) The name of the property owner and, if applicable, the
13 property owner's tenant.

14 (2) A description of the property for which a deduction is claimed.

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

17 (4) Any other information required by the department of local
18 government finance or the designating body.

19 (d) A deduction application filed under this section applies to the
20 year in which the property owner or a tenant of the property owner
21 occupies the eligible vacant building and in the following year if the
22 deduction is allowed for a two (2) year period, without an additional
23 deduction application being filed.

24 (e) A property owner that desires to obtain the deduction provided
25 by section 4.8 of this chapter but that did not file a deduction
26 application within the dates prescribed in subsection (a) or (b) may file
27 a deduction application between March 1 and May 10 of a subsequent
28 year. A deduction application filed under this subsection applies to the
29 year in which the deduction application is filed and the following year
30 if the deduction is allowed for a two (2) year period, without an
31 additional deduction application being filed. The amount of the
32 deduction under this subsection is the amount that would have been
33 applicable to the year under section 4.8 of this chapter if the deduction
34 application had been filed in accordance with subsection (a) or (b).

35 (f) Subject to subsection (i), the county auditor shall do the
36 following:

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

41 (2) If a determination concerning the number of years the
42 deduction is allowed has not been made in the resolution adopted

1 under section 2.5 of this chapter, the county auditor shall send a
 2 copy of the deduction application to the designating body. Upon
 3 receipt of the resolution stating the number of years the deduction
 4 will be allowed, the county auditor shall make the appropriate
 5 deduction.

6 (g) The amount and period of the deduction provided by section 4.8
 7 of this chapter are not affected by a change in the ownership of the
 8 eligible vacant building or a change in the property owner's tenant, if
 9 the new property owner or the new tenant:

10 (1) continues to occupy the eligible vacant building in compliance
 11 with any standards established under section 2(g) of this chapter;
 12 and

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

14 (h) Before the county auditor acts under subsection (f), the county
 15 auditor may request that the township assessor of the township in
 16 which the eligible vacant building is located, **or the county assessor**
 17 **if there is no township assessor for the township**, review the
 18 deduction application.

19 (i) A property owner may appeal a determination of the county
 20 auditor under subsection (f) by requesting in writing a preliminary
 21 conference with the county auditor not more than forty-five (45) days
 22 after the county auditor gives the property owner notice of the
 23 determination. An appeal under this subsection shall be processed and
 24 determined in the same manner that an appeal is processed and
 25 determined under IC 6-1.1-15.

26 (j) In addition to the requirements of subsection (c), a property
 27 owner that files a deduction application under this section must provide
 28 the county auditor and the designating body with information showing
 29 the extent to which there has been compliance with the statement of
 30 benefits approved under section 4.8 of this chapter. This information
 31 must be included in the deduction application and must also be updated
 32 each year in which the deduction is applicable:

33 (1) at the same time that the property owner or the property
 34 owner's tenant files a personal property tax return for property
 35 located at the eligible vacant building for which the deduction
 36 was granted; or

37 (2) if subdivision (1) does not apply, before May 15 of each year.

38 (k) The following information is a public record if filed under this
 39 section:

40 (1) The name and address of the property owner.

41 (2) The location and description of the eligible vacant building for
 42 which the deduction was granted.

1 (3) Any information concerning the number of employees at the
 2 eligible vacant building for which the deduction was granted,
 3 including estimated totals that were provided as part of the
 4 statement of benefits.

5 (4) Any information concerning the total of the salaries paid to the
 6 employees described in subdivision (3), including estimated totals
 7 that are provided as part of the statement of benefits.

8 (5) Any information concerning the assessed value of the eligible
 9 vacant building, including estimates that are provided as part of
 10 the statement of benefits.

11 (1) Information concerning the specific salaries paid to individual
 12 employees by the property owner or tenant is confidential.

13 SECTION 124. IC 6-1.1-12.1-5.4, AS AMENDED BY
 14 P.L.193-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS
 15 [EFFECTIVE JULY 1, 2008]: Sec. 5.4. (a) A person that desires to
 16 obtain the deduction provided by section 4.5 of this chapter must file
 17 a certified deduction schedule with the person's personal property
 18 return on a form prescribed by the department of local government
 19 finance with the township assessor of the township in which the new
 20 manufacturing equipment, new research and development equipment,
 21 new logistical distribution equipment, or new information technology
 22 equipment is located, **or with the county assessor if there is no**
 23 **township assessor for the township.** Except as provided in subsection
 24 (e), the deduction is applied in the amount claimed in a certified
 25 schedule that a person files with:

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

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

30 The township **or county** assessor shall forward to the county auditor
 31 **and the county assessor** a copy of each certified deduction schedule
 32 filed under this subsection. **The township assessor shall forward to**
 33 **the county assessor a copy of each certified deduction schedule**
 34 **filed with the township assessor under this subsection.**

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

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

41 (2) A description of the new manufacturing equipment, new
 42 research and development equipment, new logistical distribution

1 equipment, or new information technology equipment.

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

4 (c) This subsection applies to a deduction schedule with respect to
5 new manufacturing equipment, new research and development
6 equipment, new logistical distribution equipment, or new information
7 technology equipment for which a statement of benefits was initially
8 approved after April 30, 1991. If a determination about the number of
9 years the deduction is allowed has not been made in the resolution
10 adopted under section 2.5 of this chapter, the county auditor shall send
11 a copy of the deduction schedule to the designating body, and the
12 designating body shall adopt a resolution under section ~~4.5(g)(2)~~
13 **4.5(f)(2)** of this chapter.

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

19 (e) The township assessor, or the county assessor **if there is no**
20 **township assessor for the township**, may:

- 21 (1) review the deduction schedule; and
22 (2) before the March 1 that next succeeds the assessment date for
23 which the deduction is claimed, deny or alter the amount of the
24 deduction.

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

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

- 40 (1) continues to use the equipment in compliance with any
41 standards established under section 2(g) of this chapter; and
42 (2) files the deduction schedules required by this section.

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

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

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

17 SECTION 125. IC 6-1.1-12.1-5.8 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5.8. In lieu of providing
 19 the statement of benefits required by section 3 or 4.5 of this chapter and
 20 the additional information required by section 5.1 or 5.6 of this chapter,
 21 the designating body may, by resolution, waive the statement of
 22 benefits if the designating body finds that the purposes of this chapter
 23 are served by allowing the deduction and the property owner has,
 24 during the thirty-six (36) months preceding the first assessment date to
 25 which the waiver would apply, installed new manufacturing equipment,
 26 new research and development equipment, new logistical distribution
 27 equipment, or new information technology equipment or developed or
 28 rehabilitated property at a cost of at least ten million dollars
 29 (\$10,000,000) as determined by the assessor of the township in which
 30 the property is located, **or by the county assessor if there is no**
 31 **township assessor for the township.**

32 SECTION 126. IC 6-1.1-12.1-5.9, AS AMENDED BY
 33 HEA1137-2008, SECTION 37, IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5.9. (a) This section
 35 does not apply to:

- 36 (1) a deduction under section 3 of this chapter for property
 37 located in a residentially distressed area; or
- 38 (2) any other deduction under section 3 or 4.5 of this chapter for
 39 which a statement of benefits was approved before July 1, 1991.

40 (b) Not later than forty-five (45) days after receipt of the information
 41 described in section 5.1, 5.3(j), or 5.6 of this chapter, the designating
 42 body may determine whether the property owner has substantially

1 complied with the statement of benefits approved under section 3, 4.5,
 2 or 4.8 of this chapter. If the designating body determines that the
 3 property owner has not substantially complied with the statement of
 4 benefits and that the failure to substantially comply was not caused by
 5 factors beyond the control of the property owner (such as declines in
 6 demand for the property owner's products or services), the designating
 7 body shall mail a written notice to the property owner. The written
 8 notice must include the following provisions:

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

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

16 (c) On the date specified in the notice described in subsection
 17 (b)(2), the designating body shall conduct a hearing for the purpose of
 18 further considering the property owner's compliance with the statement
 19 of benefits. Based on the information presented at the hearing by the
 20 property owner and other interested parties, the designating body shall
 21 again determine whether the property owner has made reasonable
 22 efforts to substantially comply with the statement of benefits and
 23 whether any failure to substantially comply was caused by factors
 24 beyond the control of the property owner. If the designating body
 25 determines that the property owner has not made reasonable efforts to
 26 comply with the statement of benefits, the designating body shall adopt
 27 a resolution terminating the property owner's deduction under section
 28 3, 4.5, or 4.8 of this chapter. If the designating body adopts such a
 29 resolution, the deduction does not apply to the next installment of
 30 property taxes owed by the property owner or to any subsequent
 31 installment of property taxes.

32 (d) If the designating body adopts a resolution terminating a
 33 deduction under subsection (c), the designating body shall immediately
 34 mail a certified copy of the resolution to:

35 (1) the property owner;

36 (2) the county auditor; and

37 (3) ~~if the deduction applied under section 4.5 of this chapter, the~~
 38 **township county** assessor.

39 The county auditor shall remove the deduction from the tax duplicate
 40 and shall notify the county treasurer of the termination of the
 41 deduction. If the designating body's resolution is adopted after the
 42 county treasurer has mailed the statement required by IC 6-1.1-22-8.1,

1 the county treasurer shall immediately mail the property owner a
2 revised statement that reflects the termination of the deduction.

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

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

18 SECTION 127. IC 6-1.1-12.4-1, AS ADDED BY P.L.193-2005,
19 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20 JULY 1, 2008]: Sec. 1. For purposes of this chapter, "official" means:

- 21 (1) a county auditor;
- 22 (2) a county assessor; or
- 23 (3) a township assessor **(if any)**.

24 SECTION 128. IC 6-1.1-12.4-2, AS AMENDED BY P.L.219-2007,
25 SECTION 34, AND AS AMENDED BY P.L.234-2007, SECTION 38,
26 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
27 [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) For purposes of this section,
28 an increase in the assessed value of real property is determined in the
29 same manner that an increase in the assessed value of real property is
30 determined for purposes of IC 6-1.1-12.1.

31 (b) This subsection applies only to a development, redevelopment,
32 or rehabilitation that is first assessed after March 1, 2005, and before
33 March 2, ~~2009~~ 2007. Except as provided in subsection (h) and sections
34 4, 5, and 8 of this chapter, an owner of real property that:

- 35 (1) develops, redevelops, or rehabilitates the real property; and
- 36 (2) creates or retains employment from the development,
37 redevelopment, or rehabilitation;

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

39 (c) *Subject to section 14 of this chapter*, the deduction under this
40 section is first available in the year in which the increase in assessed
41 value resulting from the development, redevelopment, or rehabilitation
42 occurs and continues for the following two (2) years. The amount of the

1 deduction that a property owner may receive with respect to real
2 property located in a county for a particular year equals the lesser of:

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

4 (2) the product of:

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

7 (B) the percentage from the following table:

8 YEAR OF DEDUCTION	PERCENTAGE
9 1st	75%
10 2nd	50%
11 3rd	25%

12 (d) A property owner that qualifies for the deduction under this
13 section must file a notice to claim the deduction in the manner
14 prescribed by the department of local government finance under rules
15 adopted by the department of local government finance under
16 IC 4-22-2 to implement this chapter. The township assessor, **or the**
17 **county assessor if there is no township assessor for the township,**
18 shall:

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

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

23 (e) The county auditor shall:

24 (1) make the deductions; and

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

27 under this section.

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

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

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

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

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

39 SECTION 129. IC 6-1.1-12.4-3, AS AMENDED BY P.L.219-2007,
40 SECTION 35, AND AS AMENDED BY P.L.234-2007, SECTION 39,
41 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
42 [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) For purposes of this section,

1 an increase in the assessed value of personal property is determined in
 2 the same manner that an increase in the assessed value of new
 3 manufacturing equipment is determined for purposes of IC 6-1.1-12.1.

4 (b) This subsection applies only to personal property that the owner
 5 purchases after March 1, 2005, and before March 2, ~~2009~~ 2007.
 6 Except as provided in sections 4, 5, and 8 of this chapter, an owner that
 7 purchases personal property ~~other than inventory (as defined in 50~~
 8 ~~IAC 4.2-5-1, as in effect on January 1, 2005)~~ that:

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

10 and

11 (2) creates or retains employment;

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

14 (c) *Subject to section 14 of this chapter*, the deduction under this
 15 section is first available in the year in which the increase in assessed
 16 value resulting from the purchase of the personal property occurs and
 17 continues for the following two (2) years. The amount of the deduction
 18 that a property owner may receive with respect to personal property
 19 located in a county for a particular year equals the lesser of:

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

21 (2) the product of:

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

24 (B) the percentage from the following table:

25 YEAR OF DEDUCTION	PERCENTAGE
26 1st	75%
27 2nd	50%
28 3rd	25%

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

33 (e) A property owner must claim the deduction under this section on
 34 the owner's annual personal property tax return. The township assessor,
 35 **or the county assessor if there is no township assessor for the**
 36 **township**, shall:

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

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

40 (f) The county auditor shall:

41 (1) make the deductions; and

42 (2) notify the county property tax assessment board of appeals of

1 all deductions approved;
2 under this section.

3 (g) The deduction under this section does not apply to personal
4 property at a facility listed in IC 6-1.1-12.1-3(e).

5 SECTION 130. IC 6-1.1-12.4-9, AS AMENDED BY
6 HEA1137-2008, SECTION 40, IS AMENDED TO READ AS
7 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 9. If an official
8 terminates a deduction under section 8 of this chapter:

9 (1) the official shall immediately mail a certified copy of the
10 determination to:

11 (A) the property owner; and

12 (B) if the determination is made by the county assessor or the
13 township assessor (**if any**), the county auditor;

14 (2) the county auditor shall:

15 (A) remove the deduction from the tax duplicate; and

16 (B) notify the county treasurer of the termination of the
17 deduction; and

18 (3) if the official's determination to terminate the deduction
19 occurs after the county treasurer has mailed the statement
20 required by IC 6-1.1-22-8.1, the county treasurer shall
21 immediately mail the property owner a revised statement that
22 reflects the termination of the deduction.

23 SECTION 131. IC 6-1.1-13-2 IS AMENDED TO READ AS
24 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. When the county
25 property tax assessment board of appeals convenes, the county auditor
26 shall submit to the board the assessment list of the county for the
27 current year as returned by the township assessors (**if any**) and as
28 amended and returned by the county assessor. The county assessor
29 shall make recommendations to the board for corrections and changes
30 in the returns and assessments. The board shall consider and act upon
31 all the recommendations.

32 SECTION 132. IC 6-1.1-14-7 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. The county assessor,
34 a township assessor (**if any**), or ten (10) or more taxpayers who are
35 affected by an equalization order issued under section 5 of this chapter
36 may file a petition for review of the order with the county ~~assessor~~
37 **auditor** of the county to which the equalization order is issued. The
38 petition must be filed within ten (10) days after notice of the order is
39 given under section 9 of this chapter. The petition shall set forth, in the
40 form and detail prescribed by the department of local government
41 finance, the objections to the equalization order.

42 SECTION 133. IC 6-1.1-14-8 IS AMENDED TO READ AS

1 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) If a petition for
 2 review of an equalization order is filed with a county auditor under
 3 section 7 of this chapter, the county auditor shall immediately mail a
 4 certified copy of the petition and any information relevant to the
 5 petition to the department of local government finance. Within a
 6 reasonable period of time, the department of local government finance
 7 shall fix a date for a hearing on the petition. The hearing shall be held
 8 in the county to which the equalization order has been directed. At least
 9 three (3) days before the date fixed for the hearing, the department of
 10 local government finance shall give notice of the hearing by mail to the
 11 township **assessor (if any)** and **the** county ~~assessors~~ **assessor** whose
 12 ~~assessments are~~ **assessment is** affected by the order and to the first ten
 13 (10) taxpayers whose names appear on the petition for review at the
 14 addresses listed by those taxpayers on the petition. In addition, the
 15 department of local government finance shall give the notice, if any,
 16 required under section 9(a) of this chapter.

17 (b) After the hearing required by subsection (a), the department of
 18 local government finance may affirm, modify, or set aside its
 19 equalization order. The department shall certify its action with respect
 20 to the order to the county auditor. The county auditor shall immediately
 21 make any changes in the assessed values required by the action of the
 22 department of local government finance.

23 (c) A person whose name appears on the petition for review may
 24 petition for judicial review of the final determination of the department
 25 of local government finance under subsection (b). The petition must be
 26 filed in the tax court not more than forty-five (45) days after the
 27 department certifies its action under subsection (b).

28 SECTION 134. IC 6-1.1-14-9 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:
 30 Sec. 9. (a) If a hearing is required under section 4 or section 8 of this
 31 chapter, the department of local government finance shall give notice
 32 to the taxpayers of each county for which the department is to consider
 33 an increase in the assessments. The notice shall state the time, place,
 34 and object of the public hearing on the assessments. The department of
 35 local government finance shall give the notice in the manner prescribed
 36 in subsection (c).

37 (b) If an equalization order is issued under section 5 of this chapter,
 38 the department of local government finance shall give notice of the
 39 order to the taxpayers of each county to which the order is directed.
 40 The department of local government finance shall give the notice in the
 41 manner provided in subsection (c). The notice required by this
 42 subsection is in lieu of the notices required by ~~IC 6-1.1-3-13~~

1 **IC 6-1.1-3-20** or IC 6-1.1-4-22.

2 (c) A notice required by this section shall be published once in:

3 (1) two (2) newspapers of general circulation published in the
4 county; or

5 (2) one (1) newspaper of general circulation published in the
6 county if two (2) newspapers of general circulation are not
7 published in the county.

8 If there are no newspapers of general circulation published in the
9 county, the notice shall be given by posting a statement of the time,
10 place, and object of the hearing in the county courthouse at the usual
11 place for posting public notices. The published or posted notice of a
12 hearing shall be given at least ten (10) days before the time fixed for
13 the hearing.

14 SECTION 135. IC 6-1.1-15-1, AS AMENDED BY P.L.1-2008,
15 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2008]: Sec. 1. (a) A taxpayer may obtain a review by the
17 county board of a county or township official's action with respect to
18 **either or both of the following:**

19 (1) The assessment of the taxpayer's tangible property. ~~if the~~
20 ~~official's action requires the giving of notice to the taxpayer:~~

21 (2) A deduction for which a review under this section is
22 authorized by any of the following:

23 (A) **IC 6-1.1-12-25.5.**

24 (B) **IC 6-1.1-12-28.5.**

25 (C) **IC 6-1.1-12-35.5.**

26 (D) **IC 6-1.1-12.1-5.**

27 (E) **IC 6-1.1-12.1-5.3.**

28 (F) **IC 6-1.1-12.1-5.4.**

29 (b) At the time that notice **of an action referred to in subsection**
30 **(a)** is given to the taxpayer, the taxpayer shall also be informed in
31 writing of:

32 (1) the opportunity for a review under this section, including a
33 **preliminary informal** meeting under ~~subsection (h)~~ **subsection**
34 **(h)(2)** with the county or township official referred to in this
35 subsection; and

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

38 ~~(b)~~ (c) In order to obtain a review of an assessment **or deduction**
39 effective for the assessment date to which the notice referred to in
40 ~~subsection (a)~~ **subsection (b)** applies, the taxpayer must file a notice in
41 writing with the county or township official referred to in subsection (a)
42 not later than forty-five (45) days after the date of the notice referred

1 to in ~~subsection (a):~~ **subsection (b).**

2 ~~(c)~~ **(d)** A taxpayer may obtain a review by the county board of the
 3 assessment of the taxpayer's tangible property effective for an
 4 assessment date for which a notice of assessment is not given as
 5 described in ~~subsection (a):~~ **subsection (b).** To obtain the review, the
 6 taxpayer must file a notice in writing with the township assessor, ~~of the~~
 7 ~~township in which the property is subject to assessment:~~ **or the county**
 8 **assessor if the township is not served by a township assessor.** The
 9 right of a taxpayer to obtain a review under this subsection for an
 10 assessment date for which a notice of assessment is not given does not
 11 relieve an assessing official of the duty to provide the taxpayer with the
 12 notice of assessment as otherwise required by this article. For an
 13 assessment date in a year before 2009, the notice must be filed on or
 14 before May 10 of the year. For an assessment date in a year after 2008,
 15 the notice must be filed not later than the later of:

- 16 (1) May 10 of the year; or
 17 (2) forty-five (45) days after the date of the statement mailed by
 18 the county auditor under IC 6-1.1-17-3(b).

19 ~~(d)~~ **(e)** A change in an assessment made as a result of a notice for
 20 review filed by a taxpayer under ~~subsection (c)~~ **subsection (d)** after the
 21 time prescribed in ~~subsection (c)~~ **subsection (d)** becomes effective for
 22 the next assessment date. A change in an assessment made as a result
 23 of a notice for review filed by a taxpayer under ~~subsection (b) or (c)~~
 24 **subsection (c) or (d)** remains in effect from the assessment date for
 25 which the change is made until the next assessment date for which the
 26 assessment is changed under this article.

27 ~~(e)~~ **(f)** The written notice filed by a taxpayer under ~~subsection (b) or~~
 28 ~~(c)~~ **subsection (c) or (d)** must include the following information:

- 29 (1) The name of the taxpayer.
 30 (2) The address and parcel or key number of the property.
 31 (3) The address and telephone number of the taxpayer.

32 **(g) The filing of a notice under subsection (c) or (d):**

- 33 **(1) initiates a review under this section; and**
 34 **(2) constitutes a request by the taxpayer for a preliminary**
 35 **informal meeting with the official referred to in subsection**
 36 **(a).**

37 ~~(f)~~ **(h)** A county or township official who receives a notice for
 38 review filed by a taxpayer under ~~subsection (b) or (c)~~ **subsection (c) or**
 39 **(d)** shall:

- 40 **(1) immediately forward the notice to the county board; and**
 41 **(2) attempt to hold a preliminary informal meeting with the**
 42 **taxpayer to resolve as many issues as possible by:**

- 1 **(A) discussing the specifics of the taxpayer's assessment or**
 2 **deduction;**
 3 **(B) reviewing the taxpayer's property record card;**
 4 **(C) explaining to the taxpayer how the assessment or**
 5 **deduction was determined;**
 6 **(D) providing to the taxpayer information about the**
 7 **statutes, rules, and guidelines that govern the**
 8 **determination of the assessment or deduction;**
 9 **(E) noting and considering objections of the taxpayer;**
 10 **(F) considering all errors alleged by the taxpayer; and**
 11 **(G) otherwise educating the taxpayer about:**
 12 **(i) the taxpayer's assessment or deduction;**
 13 **(ii) the assessment or deduction process; and**
 14 **(iii) the assessment or deduction appeal process.**
- 15 **(i) Not later than ten (10) days after the informal preliminary**
 16 **meeting, the official referred to in subsection (a) shall forward to**
 17 **the county auditor and the county board the results of the**
 18 **conference on a form prescribed by the department of local**
 19 **government finance that must be completed and signed by the**
 20 **taxpayer and the official. The form must indicate the following:**
- 21 **(1) If the taxpayer and the official agree on the resolution of**
 22 **all assessment or deduction issues in the review, a statement**
 23 **of:**
 24 **(A) those issues; and**
 25 **(B) the assessed value of the tangible property or the**
 26 **amount of the deduction that results from the resolution of**
 27 **those issues in the manner agreed to by the taxpayer and**
 28 **the official.**
- 29 **(2) If the taxpayer and the official do not agree on the**
 30 **resolution of all assessment or deduction issues in the review:**
 31 **(A) a statement of those issues; and**
 32 **(B) identification of:**
 33 **(i) the issues on which the taxpayer and the official**
 34 **agree; and**
 35 **(ii) the issues on which the taxpayer and the official**
 36 **disagree.**
- 37 **(j) If the county board receives a form referred to in subsection**
 38 **(i)(1) before the hearing scheduled under subsection (k):**
 39 **(1) the county board shall cancel the hearing;**
 40 **(2) the county official referred to in subsection (a) shall give**
 41 **notice to the taxpayer, the county board, the county assessor,**
 42 **and the county auditor of the assessment or deduction in the**

1 **amount referred to in subsection (i)(1)(B); and**
 2 **(3) if the matter in issue is the assessment of tangible**
 3 **property, the county board may reserve the right to change**
 4 **the assessment under IC 6-1.1-13.**

5 ~~(g)~~ **(k) If:**

6 **(1) subsection (i)(2) applies; or**
 7 **(2) the county board does not receive a form referred to in**
 8 **subsection (i) not later than one hundred twenty (120) days**
 9 **after the date of the notice for review filed by the taxpayer**
 10 **under subsection (c) or (d);**

11 the county board shall hold a hearing on a review under this subsection
 12 not later than one hundred eighty (180) days after the date of ~~the~~ **that**
 13 notice. ~~for review filed by the taxpayer under subsection (b) or (c).~~ The
 14 county board shall, by mail, give notice of the date, time, and place
 15 fixed for the hearing to the taxpayer and the county or township official
 16 with whom the taxpayer filed the notice for review. The taxpayer and
 17 the county or township official with whom the taxpayer filed the notice
 18 for review are parties to the proceeding before the county board. **The**
 19 **county assessor is recused from any action the county board takes**
 20 **with respect to an assessment determination by the county**
 21 **assessor.**

22 ~~(h)~~ Before the county board holds the hearing required under
 23 subsection ~~(g)~~, the taxpayer may request a meeting by filing a written
 24 request with the county or township official with whom the taxpayer
 25 filed the notice for review to:

26 ~~(1)~~ attempt to resolve as many issues under review as possible;
 27 and
 28 ~~(2)~~ seek a joint recommendation for settlement of some or all of
 29 the issues under review.

30 ~~A county or township official who receives a meeting request under~~
 31 ~~this subsection before the county board hearing shall meet with the~~
 32 ~~taxpayer. The taxpayer and the county or township official shall present~~
 33 ~~a joint recommendation reached under this subsection to the county~~
 34 ~~board at the hearing required under subsection (g). The county board~~
 35 ~~may adopt or reject the recommendation in whole or in part.~~

36 ~~(i)~~ **(l)** At the hearing required under ~~subsection (g)~~: **subsection (k):**

37 **(1) the taxpayer may present the taxpayer's reasons for**
 38 **disagreement with the assessment ~~or deduction~~; and**
 39 **(2) the county or township official with whom the taxpayer filed**
 40 **the notice for review must present:**
 41 **(A) the basis for the assessment ~~or deduction~~ decision; and**
 42 **(B) the reasons the taxpayer's contentions should be denied.**

1 ~~(j)~~ **(m)** **The official referred to in subsection (a) may not require**
 2 **the taxpayer to provide documentary evidence at the preliminary**
 3 **informal meeting under subsection (h).** The county board may not
 4 require a taxpayer to file documentary evidence or summaries of
 5 statements of testimonial evidence before the hearing required under
 6 ~~subsection (g):~~ **subsection (k).** If the action for which a taxpayer seeks
 7 review under this section is the assessment of tangible property, the
 8 taxpayer is not required to have an appraisal of the property in order to
 9 do the following:

10 (1) Initiate the review.

11 (2) Prosecute the review.

12 ~~(k)~~ **(n)** ~~Regardless of whether the county board adopts a~~
 13 ~~recommendation under subsection (h);~~ The county board shall prepare
 14 a written decision resolving all of the issues under review. The county
 15 board shall, by mail, give notice of its determination not later than one
 16 hundred twenty (120) days after the hearing under ~~subsection (g)~~
 17 **subsection (k)** to the taxpayer, **the official referred to in subsection**
 18 **(a), the county assessor, and the ~~township assessor: county auditor.~~**

19 ~~(j)~~ **(o)** If the maximum time elapses:

20 (1) under ~~subsection (g)~~ **subsection (k)** for the county board to
 21 hold a hearing; or

22 (2) under ~~subsection (k)~~ **subsection (n)** for the county board to
 23 give notice of its determination;

24 the taxpayer may initiate a proceeding for review before the Indiana
 25 board by taking the action required by section 3 of this chapter at any
 26 time after the maximum time elapses.

27 SECTION 136. IC 6-1.1-15-9, AS AMENDED BY P.L.219-2007,
 28 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2008]: Sec. 9. (a) If the assessment or exemption of tangible
 30 property is corrected by the department of local government finance or
 31 the county board under section 8 of this chapter, the owner of the
 32 property has a right to appeal the final determination of the corrected
 33 assessment or exemption to the Indiana board. The county assessor also
 34 has a right to appeal the final determination of the reassessment or
 35 exemption by the department of local government finance or the county
 36 board, but only upon request by the county assessor, the ~~elected~~
 37 township assessor **(if any)**, or an affected taxing unit. If the appeal is
 38 taken at the request of an affected taxing unit, the taxing unit shall pay
 39 the costs of the appeal.

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

42 SECTION 137. IC 6-1.1-15-10, AS AMENDED BY P.L.219-2007,

1 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 2 UPON PASSAGE]: Sec. 10. (a) If a petition for review to any board or
 3 a proceeding for judicial review in the tax court regarding an
 4 assessment or increase in assessment is pending, the taxes resulting
 5 from the assessment or increase in assessment are, notwithstanding the
 6 provisions of IC 6-1.1-22-9, not due until after the petition for review,
 7 or the proceeding for judicial review, is finally adjudicated and the
 8 assessment or increase in assessment is finally determined. However,
 9 even though a petition for review or a proceeding for judicial review is
 10 pending, the taxpayer shall pay taxes on the tangible property when the
 11 property tax installments come due, unless the collection of the taxes
 12 is enjoined under IC 33-26-6-2 pending a final determination in the
 13 proceeding for judicial review. The amount of taxes which the taxpayer
 14 is required to pay, pending the final determination of the assessment or
 15 increase in assessment, shall be based on:

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

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

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

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

35 SECTION 138. IC 6-1.1-15-12, AS AMENDED BY P.L.219-2007,
 36 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 JULY 1, 2008]: Sec. 12. (a) Subject to the limitations contained in
 38 subsections (c) and (d), a county auditor shall correct errors which are
 39 discovered in the tax duplicate for any one (1) or more of the following
 40 reasons:

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

42 (2) The assessment was against the wrong person.

- 1 (3) Taxes on the same property were charged more than one (1)
2 time in the same year.
- 3 (4) There was a mathematical error in computing the taxes or
4 penalties on the taxes.
- 5 (5) There was an error in carrying delinquent taxes forward from
6 one (1) tax duplicate to another.
- 7 (6) The taxes, as a matter of law, were illegal.
- 8 (7) There was a mathematical error in computing an assessment.
- 9 (8) Through an error of omission by any state or county officer,
10 the taxpayer was not given credit for an exemption or deduction
11 permitted by law.
- 12 (b) The county auditor shall correct an error described under
13 subsection (a)(1), (a)(2), (a)(3), (a)(4), or (a)(5) when the county
14 auditor finds that the error exists.
- 15 (c) If the tax is based on an assessment made or determined by the
16 department of local government finance, the county auditor shall not
17 correct an error described under subsection (a)(6), (a)(7), or (a)(8) until
18 after the correction is either approved by the department of local
19 government finance or ordered by the tax court.
- 20 (d) If the tax is not based on an assessment made or determined by
21 the department of local government finance, the county auditor shall
22 correct an error described under subsection (a)(6), (a)(7), or (a)(8) only
23 if the correction is first approved by at least two (2) of the following
24 officials:
- 25 (1) The township assessor **(if any)**.
- 26 (2) The county auditor.
- 27 (3) The county assessor.
- 28 If two (2) of these officials do not approve such a correction, the county
29 auditor shall refer the matter to the county board for determination. The
30 county board shall provide a copy of the determination to the taxpayer
31 and to the county auditor.
- 32 (e) A taxpayer may appeal a determination of the county board to
33 the Indiana board for a final administrative determination. An appeal
34 under this section shall be conducted in the same manner as appeals
35 under sections 4 through 8 of this chapter. The Indiana board shall send
36 the final administrative determination to the taxpayer, the county
37 auditor, the county assessor, and the township assessor **(if any)**.
- 38 (f) If a correction or change is made in the tax duplicate after it is
39 delivered to the county treasurer, the county auditor shall transmit a
40 certificate of correction to the county treasurer. The county treasurer
41 shall keep the certificate as the voucher for settlement with the county
42 auditor.

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

8 (h) A taxpayer that files a statement under IC 6-1.1-8-19 may not
 9 petition under this section for the correction of an error made by the
 10 taxpayer on the taxpayer's statement. If the taxpayer wishes to correct
 11 an error made by the taxpayer on the taxpayer's statement, the taxpayer
 12 must instead initiate an objection under IC 6-1.1-8-28 or an appeal
 13 under IC 6-1.1-8-30.

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

20 SECTION 139. IC 6-1.1-15-14, AS AMENDED BY P.L.219-2007,
 21 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2008]: Sec. 14. In any assessment review, the assessing
 23 official ~~the county assessor, and the members of a county board~~ shall:

- 24 (1) use the department of local government finance's rules in
 25 effect; and
- 26 (2) consider the conditions and circumstances of the property as
 27 they existed;

28 on the original assessment date of the property under review.

29 SECTION 140. IC 6-1.1-15-16, AS AMENDED BY P.L.219-2007,
 30 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2008]: Sec. 16. Notwithstanding any provision in the 2002
 32 Real Property Assessment Manual and Real Property Assessment
 33 Guidelines for 2002-Version A, incorporated by reference in 50
 34 IAC 2.3-1-2, a county board or the Indiana board shall consider all
 35 evidence relevant to the assessment of real property regardless of
 36 whether the evidence was submitted to the township assessor **(if any)**
 37 **or county assessor** before the assessment of the property.

38 SECTION 141. IC 6-1.1-16-1 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) Except as
 40 provided in section 2 of this chapter, an assessing official ~~county~~
 41 ~~assessor~~, or county property tax assessment board of appeals may not
 42 change the assessed value claimed by a taxpayer on a personal property

1 return unless the assessing official ~~county assessor~~, or county property
 2 tax assessment board of appeals takes the action and gives the notice
 3 required by IC 6-1.1-3-20 within the following ~~time~~ periods:

4 (1) A township or ~~county assessing official assessor (if any)~~ must
 5 make a change in the assessed value and give the notice of the
 6 change on or before the ~~latter later~~ of:

7 (A) September 15 of the year for which the assessment is
 8 made; or

9 (B) four (4) months from the date the personal property return
 10 is filed if the return is filed after May 15 of the year for which
 11 the assessment is made.

12 (2) A county assessor or county property tax assessment board of
 13 appeals must make a change in the assessed value, including the
 14 final determination by the board of an assessment changed by a
 15 ~~township or county an~~ assessing official, or ~~county property tax~~
 16 ~~assessment board of appeals~~; and give the notice of the change on
 17 or before the ~~latter later~~ of:

18 (A) October 30 of the year for which the assessment is made;
 19 or

20 (B) five (5) months from the date the personal property return
 21 is filed if the return is filed after May 15 of the year for which
 22 the assessment is made.

23 (3) The department of local government finance must make a
 24 preliminary change in the assessed value and give the notice of
 25 the change on or before the ~~latter later~~ of:

26 (A) October 1 of the year immediately following the year for
 27 which the assessment is made; or

28 (B) sixteen (16) months from the date the personal property
 29 return is filed if the return is filed after May 15 of the year for
 30 which the assessment is made.

31 (b) Except as provided in section 2 of this chapter, if an assessing
 32 official ~~a county assessor~~, or a county property tax assessment board of
 33 appeals fails to change an assessment and give notice of the change
 34 within the time prescribed by this section, the assessed value claimed
 35 by the taxpayer on the personal property return is final.

36 (c) This section does not limit the authority of a county auditor to
 37 correct errors in a tax duplicate under IC 6-1.1-15-12.

38 (d) This section does not apply if the taxpayer:

39 (1) fails to file a personal property return which substantially
 40 complies with ~~the provisions of~~ this article and the regulations of
 41 the department of local government finance; or

42 (2) files a fraudulent personal property return with the intent to

1 evade the payment of property taxes.

2 (e) A taxpayer may appeal a preliminary determination of the
3 department of local government finance under subsection (a)(3) to the
4 Indiana board. An appeal under this subdivision shall be conducted in
5 the same manner as an appeal under IC 6-1.1-15-4 through
6 IC 6-1.1-15-8. A preliminary determination that is not appealed under
7 this subsection is a final unappealable order of the department of local
8 government finance.

9 SECTION 142. IC 6-1.1-16-2, AS AMENDED BY P.L.219-2007,
10 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2008]: Sec. 2. (a) If a county property tax assessment board of
12 appeals fails to change an assessed value claimed by a taxpayer on a
13 personal property return and give notice of the change within the time
14 prescribed in section 1(a)(2) of this chapter, the township assessor, or
15 the county assessor **if there is no township assessor for the township**,
16 may file a petition for review of the assessment by the Indiana board.
17 The township ~~assessor~~ or ~~the~~ county assessor must file the petition for
18 review in the manner provided in IC 6-1.1-15-3(d). The ~~time~~ period for
19 filing the petition begins to run on the last day that the county board is
20 permitted to act on the assessment under section 1(a)(2) of this chapter
21 as though the board acted and gave notice of its action on that day.

22 (b) Notwithstanding section 1(a)(3) of this chapter, the department
23 of local government finance shall reassess tangible property when an
24 appealed assessment of the property is remanded to the board under
25 IC 6-1.1-15-8.

26 SECTION 143. IC 6-1.1-17-3, AS AMENDED BY P.L.219-2007,
27 SECTION 49, AND AS AMENDED BY P.L.224-2007, SECTION 5,
28 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
29 [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The proper officers of a
30 political subdivision shall formulate its estimated budget and its
31 proposed tax rate and tax levy on the form prescribed by the
32 department of local government finance and approved by the state
33 board of accounts. The political subdivision shall give notice by
34 publication to taxpayers of:

- 35 (1) the estimated budget;
36 (2) the estimated maximum permissible levy;
37 (3) the current and proposed tax levies of each fund; and
38 (4) the amounts of excessive levy appeals to be requested.

39 In the notice, the political subdivision shall also state the time and
40 place at which a public hearing will be held on these items. The notice
41 shall be published twice in accordance with IC 5-3-1 with the first
42 publication at least ten (10) days before the date fixed for the public

1 hearing. Beginning in 2009, the duties required by this subsection must
 2 be completed before August 10 of the calendar year. A political
 3 subdivision shall provide the estimated budget and levy information
 4 required for the notice under subsection (b) to the county auditor on the
 5 schedule determined by the department of local government finance.

6 (b) Beginning in ~~2009~~, **2010**, before ~~August 10~~ **October 1** of a
 7 calendar year, the county auditor shall mail to the last known address
 8 of each person liable for any property taxes, as shown on the tax
 9 duplicate, or to the last known address of the most recent owner shown
 10 in the transfer book, a statement that includes:

11 (1) the assessed valuation as of the assessment date in the current
 12 calendar year of tangible property on which the person will be
 13 liable for property taxes first due and payable in the immediately
 14 succeeding calendar year and notice to the person of the
 15 opportunity to appeal the assessed valuation under
 16 ~~IC 6-1.1-15-1(b)~~; *IC 6-1.1-15-1(c)* **(before July 1, 2008) or**
 17 **IC 6-1.1-15-1 (after June 30, 2008).**

18 (2) the amount of property taxes for which the person will be
 19 liable to each political subdivision on the tangible property for
 20 taxes first due and payable in the immediately succeeding
 21 calendar year, taking into account all factors that affect that
 22 liability, including:

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

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

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

29 (D) the county auditor's best estimate of the effects on the tax
 30 liability that might result from actions of:

31 (i) the county board of tax adjustment; ~~(before January 1,~~
 32 ~~2009) or the county board of tax and capital projects review~~
 33 ~~(after December 31, 2008)~~; or

34 (ii) the department of local government finance;

35 (3) a prominently displayed notation that:

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

38 (B) based on various factors, including potential actions by:

39 (i) the county board of tax adjustment; ~~(before January 1,~~
 40 ~~2009) or the county board of tax and capital projects review~~
 41 ~~(after December 31, 2008)~~; or

42 (ii) the department of local government finance;

- 1 it is possible that the tax liability as finally determined will
2 differ substantially from the estimate;
- 3 (4) comparative information showing the amount of property
4 taxes for which the person is liable to each political subdivision
5 on the tangible property for taxes first due and payable in the
6 current year; and
- 7 (5) the date, time, and place at which the political subdivision will
8 hold a public hearing on the political subdivision's estimated
9 budget and proposed tax rate and tax levy as required under
10 subsection (a).
- 11 (c) The department of local government finance shall:
- 12 (1) prescribe a form for; and
- 13 (2) provide assistance to county auditors in preparing;
14 statements under subsection (b). Mailing the statement described in
15 subsection (b) to a mortgagee maintaining an escrow account for a
16 person who is liable for any property taxes shall not be construed as
17 compliance with subsection (b).
- 18 (d) The board of directors of a solid waste management district
19 established under IC 13-21 or IC 13-9.5-2 (before its repeal) may
20 conduct the public hearing required under subsection (a):
- 21 (1) in any county of the solid waste management district; and
- 22 (2) in accordance with the annual notice of meetings published
23 under IC 13-21-5-2.
- 24 (e) The trustee of each township in the county shall estimate the
25 amount necessary to meet the cost of township assistance in the
26 township for the ensuing calendar year. The township board shall adopt
27 with the township budget a tax rate sufficient to meet the estimated cost
28 of township assistance. The taxes collected as a result of the tax rate
29 adopted under this subsection are credited to the township assistance
30 fund.
- 31 (f) **This subsection expires January 1, 2009.** A county shall adopt
32 with the county budget and the department of local government finance
33 shall certify under section 16 of this chapter a tax rate sufficient to raise
34 the levy necessary to pay the following:
- 35 (1) The cost of child services (as defined in IC 12-19-7-1) of the
36 county payable from the family and children's fund.
- 37 (2) The cost of children's psychiatric residential treatment
38 services (as defined in IC 12-19-7.5-1) of the county payable from
39 the children's psychiatric residential treatment services fund.
- 40 A budget, tax rate, or tax levy adopted by a county fiscal body or
41 approved or modified by a county board of tax adjustment that is less
42 than the levy necessary to pay the costs described in subdivision (1) or

1 (2) shall not be treated as a final budget, tax rate, or tax levy under
2 section 11 of this chapter.

3 SECTION 144. IC 6-1.1-17-3.5 IS ADDED TO THE INDIANA
4 CODE AS A NEW SECTION TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2008]: **Sec. 3.5. (a) This section does not**
6 **apply to a county in which a county board of tax adjustment**
7 **reviews budgets, tax rates, and tax levies.**

8 **(b) A civil taxing unit other than a county shall file with the**
9 **fiscal body of the county in which the civil taxing unit is located:**

10 **(1) a statement of the proposed or estimated tax rate and tax**
11 **levy for the civil taxing unit for the ensuing budget year; and**

12 **(2) a copy of the civil taxing unit's proposed budget for the**
13 **ensuing budget year.**

14 **(c) In the case of a civil taxing unit located in more than one (1)**
15 **county, the civil taxing unit shall file the information under**
16 **subsection (b) with the fiscal body of the county in which the**
17 **greatest part of the civil taxing unit's net assessed valuation is**
18 **located.**

19 **(d) A civil taxing unit must file the information under subsection**
20 **(b) at least fifteen (15) days before the civil taxing unit fixes its tax**
21 **rate and tax levy and adopts its budget under this chapter.**

22 **(e) A county fiscal body shall:**

23 **(1) review any proposed or estimated tax rate or tax levy or**
24 **proposed budget filed by a civil taxing unit with the county**
25 **fiscal body under this section; and**

26 **(2) issue a nonbinding recommendation to a civil taxing unit**
27 **regarding the civil taxing unit's proposed or estimated tax**
28 **rate or tax levy or proposed budget.**

29 **(f) The recommendation under subsection (e) must include a**
30 **comparison of any increase in the civil taxing unit's budget or tax**
31 **levy to:**

32 **(1) the average increase in Indiana nonfarm personal income**
33 **for the preceding six (6) calendar years and the average**
34 **increase in nonfarm personal income for the county for the**
35 **preceding six (6) calendar years; and**

36 **(2) increases in the budgets and tax levies of other civil taxing**
37 **units in the county.**

38 **(g) The department of local government finance must provide**
39 **each county fiscal body with the most recent available information**
40 **concerning increase in Indiana nonfarm personal income and**
41 **increases in county nonfarm personal income.**

42 SECTION 145. IC 6-1.1-17-5, AS AMENDED BY P.L.219-2007,

1 SECTION 50, AND AS AMENDED BY P.L.224-2007, SECTION 6,
 2 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 3 [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The officers of political
 4 subdivisions shall meet each year to fix the budget, tax rate, and tax
 5 levy of their respective subdivisions for the ensuing budget year as
 6 follows:

7 ~~(1) The fiscal body of a consolidated city and county, not later~~
 8 ~~than the last meeting of the fiscal body in September.~~

9 ~~(2) The fiscal body of a municipality, not later than September 30:~~

10 ~~(3) (1) The board of school trustees of a school corporation that~~
 11 ~~is located in a city having a population of more than one hundred~~
 12 ~~five thousand (105,000) but less than one hundred twenty~~
 13 ~~thousand (120,000), not later than:~~

14 (A) the time required in section 5.6(b) of this chapter; or

15 (B) **for budget years beginning before July 1, 2010,**
 16 **September 30** if a resolution adopted under section 5.6(d)
 17 of this chapter is in effect.

18 ~~(4) (2) The proper officers of all other political subdivisions, not~~
 19 ~~later than September 30.~~

20 **(3) The governing body of each school corporation (including**
 21 **a school corporation described in subdivision (1)), not later**
 22 **than the time required under section 5.6(b) of this chapter for**
 23 **budget years beginning after June 30, 2010.**

24 Except in a consolidated city and county and in a second class city, the
 25 public hearing required by section 3 of this chapter must be completed
 26 at least ten (10) days before the proper officers of the political
 27 subdivision meet to fix the budget, tax rate, and tax levy. In a
 28 consolidated city and county and in a second class city, that public
 29 hearing, by any committee or by the entire fiscal body, may be held at
 30 any time after introduction of the budget.

31 (b) Ten (10) or more taxpayers may object to a budget, tax rate, or
 32 tax levy of a political subdivision fixed under subsection (a) by filing
 33 an objection petition with the proper officers of the political
 34 subdivision not more than seven (7) days after the hearing. The
 35 objection petition must specifically identify the provisions of the
 36 budget, tax rate, and tax levy to which the taxpayers object.

37 (c) If a petition is filed under subsection (b), the fiscal body of the
 38 political subdivision shall adopt with its budget a finding concerning
 39 the objections in the petition and any testimony presented at the
 40 adoption hearing.

41 (d) This subsection does not apply to a school corporation. Each
 42 year at least two (2) days before the first meeting *after September 20*

1 of the county board of tax adjustment *(before January 1, 2009) or the*
 2 *county board of tax and capital projects review (after December 31,*
 3 *2008)* held under IC 6-1.1-29-4, a political subdivision shall file with
 4 the county auditor:

5 (1) a statement of the tax rate and levy fixed by the political
 6 subdivision for the ensuing budget year;

7 (2) two (2) copies of the budget adopted by the political
 8 subdivision for the ensuing budget year; and

9 (3) two (2) copies of any findings adopted under subsection (c).

10 Each year the county auditor shall present these items to the county
 11 board of tax adjustment *(before January 1, 2009) or the county board*
 12 *of tax and capital projects review (after December 31, 2008)* at the
 13 board's first meeting *under IC 6-1.1-29-4 after September 20 of that*
 14 *year.*

15 (e) In a consolidated city and county and in a second class city, the
 16 clerk of the fiscal body shall, notwithstanding subsection (d), file the
 17 adopted budget and tax ordinances with the county board of tax
 18 adjustment *(before January 1, 2009) or the county board of tax and*
 19 *capital projects review (after December 31, 2008)* within two (2) days
 20 after the ordinances are signed by the executive, or within two (2) days
 21 after action is taken by the fiscal body to override a veto of the
 22 ordinances, whichever is later.

23 (f) If a fiscal body does not fix the budget, tax rate, and tax levy of
 24 the political subdivisions for the ensuing budget year as required under
 25 this section, the most recent annual appropriations and annual tax levy
 26 are continued for the ensuing budget year.

27 SECTION 146. IC 6-1.1-17-5.6, AS AMENDED BY P.L.219-2007,
 28 SECTION 51, AND AS AMENDED BY P.L.224-2007, SECTION 7,
 29 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 30 [EFFECTIVE UPON PASSAGE]: Sec. 5.6. (a) **For budget years**
 31 **beginning before July 1, 2010**, this section applies only to a school
 32 corporation that is located in a city having a population of more than
 33 one hundred five thousand (105,000) but less than one hundred twenty
 34 thousand (120,000). **For budget years beginning after June 30, 2010,**
 35 **this section applies to all school corporations. Beginning in 2010,**
 36 **each school corporation shall adopt a budget under this section**
 37 **that applies from July 1 of the year through June 30 of the**
 38 **following year. In the initial budget adopted by a school**
 39 **corporation in 2010 under this section, the first six (6) months of**
 40 **that initial budget must be consistent with the last six (6) months**
 41 **of the budget adopted by the school corporation for calendar year**
 42 **2010.**

1 (b) Before February 1 of each year, the officers of the school
 2 corporation shall meet to fix the budget for the school corporation for
 3 the ensuing budget year, with notice given by the same officers.
 4 However, if a resolution adopted under subsection (d) is in effect, the
 5 officers shall meet to fix the budget for the ensuing budget year before
 6 September ~~20~~ 30.

7 (c) Each year, at least two (2) days before the first meeting *after*
 8 *September 20* of the county board of tax adjustment (~~*before January 1,*~~
 9 ~~*2009*~~) *or the county board of tax and capital projects review (after*
 10 ~~*December 31, 2008*~~) held under IC 6-1.1-29-4, the school corporation
 11 shall file with the county auditor:

12 (1) a statement of the tax rate and tax levy fixed by the school
 13 corporation for the ensuing budget year;

14 (2) two (2) copies of the budget adopted by the school corporation
 15 for the ensuing budget year; and

16 (3) any written notification from the department of local
 17 government finance under section 16(i) of this chapter that
 18 specifies a proposed revision, reduction, or increase in the budget
 19 adopted by the school corporation for the ensuing budget year.

20 Each year the county auditor shall present these items to the county
 21 board of tax adjustment (~~*before January 1, 2009*~~) *or the county board*
 22 *of tax and capital projects review (after December 31, 2008)* at the
 23 board's first meeting *after September 20 of that year.*

24 (d) **This subsection does not apply to budget years after June 30,**
 25 **2010.** The governing body of the school corporation may adopt a
 26 resolution to cease using a school year budget year and return to using
 27 a calendar year budget year. A resolution adopted under this subsection
 28 must be adopted after January 1 and before July 1. The school
 29 corporation's initial calendar year budget year following the adoption
 30 of a resolution under this subsection begins on January 1 of the year
 31 following the year the resolution is adopted. The first six (6) months of
 32 the initial calendar year budget for the school corporation must be
 33 consistent with the last six (6) months of the final school year budget
 34 fixed by the department of local government finance before the
 35 adoption of a resolution under this subsection. **Notwithstanding any**
 36 **resolution adopted under this subsection, beginning in 2010, each**
 37 **school corporation shall adopt a budget under this section that**
 38 **applies from July 1 of the year through June 30 of the following**
 39 **year.**

40 (e) A resolution adopted under subsection (d) may be rescinded by
 41 a subsequent resolution adopted by the governing body. If the
 42 governing body of the school corporation rescinds a resolution adopted

1 under subsection (d) and returns to a school year budget year, the
 2 school corporation's initial school year budget year begins on July 1
 3 following the adoption of the rescinding resolution and ends on June
 4 30 of the following year. The first six (6) months of the initial school
 5 year budget for the school corporation must be consistent with the last
 6 six (6) months of the last calendar year budget fixed by the department
 7 of local government finance before the adoption of a rescinding
 8 resolution under this subsection.

9 SECTION 147. IC 6-1.1-17-6, AS AMENDED BY P.L.224-2007,
 10 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 UPON PASSAGE]: Sec. 6. (a) The county board of tax adjustment
 12 (~~before January 1, 2009~~) or the county board of tax and capital projects
 13 review (~~after December 31, 2008~~) shall review the budget, tax rate, and
 14 tax levy of each political subdivision filed with the county auditor
 15 under section 5 or 5.6 of this chapter. The board shall revise or reduce,
 16 but not increase, any budget, tax rate, or tax levy in order:

17 (1) to limit the tax rate to the maximum amount permitted under
 18 IC 6-1.1-18; and

19 (2) to limit the budget to the amount of revenue to be available in
 20 the ensuing budget year for the political subdivision.

21 (b) The county board of tax adjustment (~~before January 1, 2009~~) or
 22 the county board of tax and capital projects review (~~after December 31,
 23 2008~~) shall make a revision or reduction in a political subdivision's
 24 budget only with respect to the total amounts budgeted for each office
 25 or department within each of the major budget classifications
 26 prescribed by the state board of accounts.

27 (c) When the county board of tax adjustment (~~before January 1,
 28 2009~~) or the county board of tax and capital projects review (~~after
 29 December 31, 2008~~) makes a revision or reduction in a budget, tax rate,
 30 or tax levy, it shall file with the county auditor a written order which
 31 indicates the action taken. If the board reduces the budget, it shall also
 32 indicate the reason for the reduction in the order. The chairman of the
 33 county board shall sign the order.

34 SECTION 148. IC 6-1.1-17-7, AS AMENDED BY P.L.224-2007,
 35 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 UPON PASSAGE]: Sec. 7. If the boundaries of a political subdivision
 37 cross one (1) or more county lines, the budget, tax levy, and tax rate
 38 fixed by the political subdivision shall be filed with the county auditor
 39 of each affected county in the manner prescribed in section 5 or 5.6 of
 40 this chapter. The board of tax adjustment of the county which contains
 41 the largest portion of the value of property taxable by the political
 42 subdivision, as determined from the abstracts of taxable values last

1 filed with the auditor of state, has jurisdiction over the budget, tax rate,
 2 and tax levy to the same extent as if the property taxable by the
 3 political subdivision were wholly within the county. The secretary of
 4 the county board of tax adjustment (~~before January 1, 2009~~) or the
 5 county board of tax and capital projects review (after December 31,
 6 2008) shall notify the county auditor of each affected county of the
 7 action of the board. Appeals from actions of the county board of tax
 8 adjustment (~~before January 1, 2009~~) or the county board of tax and
 9 capital projects review (after December 31, 2008) may be initiated in
 10 any affected county.

11 SECTION 149. IC 6-1.1-17-8, AS AMENDED BY P.L.224-2007,
 12 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 UPON PASSAGE]: Sec. 8. (a) If the county board of tax adjustment
 14 (~~before January 1, 2009~~) or the county board of tax and capital projects
 15 review (after December 31, 2008) determines that the maximum
 16 aggregate tax rate permitted within a political subdivision under
 17 IC 6-1.1-18 is inadequate, the county board shall, subject to the
 18 limitations prescribed in IC 20-45-4 (**before January 1, 2009**), file its
 19 written recommendations in duplicate with the county auditor. The
 20 board shall include with its recommendations:

- 21 (1) an analysis of the aggregate tax rate within the political
 22 subdivision;
- 23 (2) a recommended breakdown of the aggregate tax rate among
 24 the political subdivisions whose tax rates compose the aggregate
 25 tax rate within the political subdivision; and
- 26 (3) any other information that the county board considers relevant
 27 to the matter.

28 (b) The county auditor shall forward one (1) copy of the county
 29 board's recommendations to the department of local government
 30 finance and shall retain the other copy in the county auditor's office.
 31 The department of local government finance shall, in the manner
 32 prescribed in section 16 of this chapter, review the budgets by fund, tax
 33 rates, and tax levies of the political subdivisions described in
 34 subsection (a)(2).

35 SECTION 150. IC 6-1.1-17-9, AS AMENDED BY P.L.224-2007,
 36 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 UPON PASSAGE]: Sec. 9. (a) The county board of tax adjustment
 38 (~~before January 1, 2009~~) or the county board of tax and capital projects
 39 review (after December 31, 2008) shall complete the duties assigned
 40 to it under this chapter on or before October 1st of each year, except
 41 that in a consolidated city and county and in a county containing a
 42 second class city, the duties of this board need not be completed until

1 November 1 of each year.

2 (b) If the county board of tax adjustment (~~before January 1, 2009~~)
 3 ~~or the county board of tax and capital projects review (after December~~
 4 ~~31, 2008)~~ fails to complete the duties assigned to it within the time
 5 prescribed in this section or to reduce aggregate tax rates so that they
 6 do not exceed the maximum rates permitted under IC 6-1.1-18, the
 7 county auditor shall calculate and fix the tax rate within each political
 8 subdivision of the county so that the maximum rate permitted under
 9 IC 6-1.1-18 is not exceeded.

10 (c) When the county auditor calculates and fixes tax rates, the
 11 county auditor shall send a certificate notice of those rates to each
 12 political subdivision of the county. The county auditor shall send these
 13 notices within five (5) days after publication of the notice required by
 14 section 12 of this chapter.

15 (d) When the county auditor calculates and fixes tax rates, that
 16 action shall be treated as if it were the action of the county board of tax
 17 adjustment. (~~before January 1, 2009~~) ~~or the county board of tax and~~
 18 ~~capital projects review (after December 31, 2008)~~.

19 SECTION 151. IC 6-1.1-17-10, AS AMENDED BY P.L.224-2007,
 20 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 UPON PASSAGE]: Sec. 10. When the aggregate tax rate within a
 22 political subdivision, as approved or modified by the county board of
 23 tax adjustment (~~before January 1, 2009~~), ~~or the county board of tax and~~
 24 ~~capital projects review (after December 31, 2008)~~, exceeds the
 25 maximum aggregate tax rate prescribed in IC 6-1.1-18-3(a), the county
 26 auditor shall certify the budgets, tax rates, and tax levies of the political
 27 subdivisions whose tax rates compose the aggregate tax rate within the
 28 political subdivision, as approved or modified by the county board, to
 29 the department of local government finance for final review. For
 30 purposes of this section, the maximum aggregate tax rate limit
 31 exceptions provided in IC 6-1.1-18-3(b) do not apply.

32 SECTION 152. IC 6-1.1-17-11, AS AMENDED BY P.L.224-2007,
 33 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 UPON PASSAGE]: Sec. 11. A budget, tax rate, or tax levy of a
 35 political subdivision, as approved or modified by the county board of
 36 tax adjustment, (~~before January 1, 2009~~) ~~or the county board of tax and~~
 37 ~~capital projects review (after December 31, 2008)~~, is final unless:

- 38 (1) action is taken by the county auditor in the manner provided
 39 under section 9 of this chapter;
 40 (2) the action of the county board is subject to review by the
 41 department of local government finance under section 8 or 10 of
 42 this chapter; or

1 (3) an appeal to the department of local government finance is
 2 initiated with respect to the budget, tax rate, or tax levy.

3 SECTION 153. IC 6-1.1-17-12, AS AMENDED BY P.L.224-2007,
 4 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 UPON PASSAGE]: Sec. 12. As soon as the budgets, tax rates, and tax
 6 levies are approved or modified by the county board of tax adjustment,
 7 ~~(before January 1, 2009) or the county board of tax and capital projects~~
 8 ~~review (after December 31, 2008)~~, the county auditor shall within
 9 fifteen (15) days prepare a notice of the tax rates to be charged on each
 10 one hundred dollars (\$100) of assessed valuation for the various funds
 11 in each taxing district. The notice shall also inform the taxpayers of the
 12 manner in which they may initiate an appeal of the county board's
 13 action. The county auditor shall post the notice at the county
 14 courthouse and publish it in two (2) newspapers which represent
 15 different political parties and which have a general circulation in the
 16 county.

17 SECTION 154. IC 6-1.1-17-14, AS AMENDED BY P.L.224-2007,
 18 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 UPON PASSAGE]: Sec. 14. The county auditor shall initiate an appeal
 20 to the department of local government finance if the county fiscal body
 21 ~~or the county board of tax adjustment (before January 1, 2009)~~, ~~or the~~
 22 ~~county board of tax and capital projects review (after December 31,~~
 23 ~~2008)~~ reduces:

- 24 (1) a township assistance tax rate below the rate necessary to meet
 25 the estimated cost of township assistance;
 26 (2) a family and children's fund tax rate below the rate necessary
 27 to collect the levy recommended by the department of child
 28 services, **for property taxes first due and payable before**
 29 **January 1, 2009**; or
 30 (3) a children's psychiatric residential treatment services fund tax
 31 rate below the rate necessary to collect the levy recommended by
 32 the department of child services, **for property taxes first due**
 33 **and payable before January 1, 2009.**

34 SECTION 155. IC 6-1.1-17-15, AS AMENDED BY P.L.224-2007,
 35 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 UPON PASSAGE]: Sec. 15. A political subdivision may appeal to the
 37 department of local government finance for an increase in its tax rate
 38 or tax levy as fixed by the county board of tax adjustment ~~(before~~
 39 ~~January 1, 2009)~~, ~~the county board of tax and capital projects review~~
 40 ~~(after December 31, 2008)~~, or the county auditor. To initiate the appeal,
 41 the political subdivision must file a statement with the department of
 42 local government finance not later than ten (10) days after publication

1 of the notice required by section 12 of this chapter. The legislative
 2 body of the political subdivision must authorize the filing of the
 3 statement by adopting a resolution. The resolution must be attached to
 4 the statement of objections, and the statement must be signed by the
 5 following officers:

6 (1) In the case of counties, by the board of county commissioners
 7 and by the president of the county council.

8 (2) In the case of all other political subdivisions, by the highest
 9 executive officer and by the presiding officer of the legislative
 10 body.

11 SECTION 156. IC 6-1.1-17-16, AS AMENDED BY P.L.1-2007,
 12 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JANUARY 1, 2009]: Sec. 16. (a) Subject to the limitations and
 14 requirements prescribed in this section, the department of local
 15 government finance may revise, reduce, or increase a political
 16 subdivision's budget by fund, tax rate, or tax levy which the department
 17 reviews under section 8 or 10 of this chapter.

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

24 (c) Except as provided in subsections (j) and (k), before the
 25 department of local government finance reviews, revises, reduces, or
 26 increases a political subdivision's budget by fund, tax rate, or tax levy
 27 under this section, the department must hold a public hearing on the
 28 budget, tax rate, and tax levy. The department of local government
 29 finance shall hold the hearing in the county in which the political
 30 subdivision is located. The department of local government finance
 31 may consider the budgets by fund, tax rates, and tax levies of several
 32 political subdivisions at the same public hearing. At least five (5) days
 33 before the date fixed for a public hearing, the department of local
 34 government finance shall give notice of the time and place of the
 35 hearing and of the budgets by fund, levies, and tax rates to be
 36 considered at the hearing. The department of local government finance
 37 shall publish the notice in two (2) newspapers of general circulation
 38 published in the county. However, if only one (1) newspaper of general
 39 circulation is published in the county, the department of local
 40 government finance shall publish the notice in that newspaper.

41 (d) Except as provided in subsection (i), ~~IC 20-45~~, IC 20-46, or
 42 IC 6-1.1-18.5, the department of local government finance may not

1 increase a political subdivision's budget by fund, tax rate, or tax levy to
2 an amount which exceeds the amount originally fixed by the political
3 subdivision. However, if the department of local government finance
4 determines that IC 5-3-1-2.3(b) applies to the tax rate, tax levy, or
5 budget of the political subdivision, the maximum amount by which the
6 department may increase the tax rate, tax levy, or budget is the amount
7 originally fixed by the political subdivision, and not the amount that
8 was incorrectly published or omitted in the notice described in
9 IC 5-3-1-2.3(b). The department of local government finance shall give
10 the political subdivision written notification specifying any revision,
11 reduction, or increase the department proposes in a political
12 subdivision's tax levy or tax rate. The political subdivision has two (2)
13 weeks from the date the political subdivision receives the notice to
14 provide a written response to the department of local government
15 finance's Indianapolis office. The response may include budget
16 reductions, reallocation of levies, a revision in the amount of
17 miscellaneous revenues, and further review of any other item about
18 which, in the view of the political subdivision, the department is in
19 error. The department of local government finance shall consider the
20 adjustments as specified in the political subdivision's response if the
21 response is provided as required by this subsection and shall deliver a
22 final decision to the political subdivision.

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

- 27 (1) no bonds of the building corporation are outstanding; or
28 (2) the building corporation has enough legally available funds on
29 hand to redeem all outstanding bonds payable from the particular
30 lease rental levy requested.

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

- 33 (1) the county auditor;
34 (2) the political subdivision if the department acts pursuant to an
35 appeal initiated by the political subdivision;
36 (3) the taxpayer that initiated an appeal under section 13 of this
37 chapter, or, if the appeal was initiated by multiple taxpayers, the
38 first ten (10) taxpayers whose names appear on the statement filed
39 to initiate the appeal; and
40 (4) a taxpayer that owns property that represents at least ten
41 percent (10%) of the taxable assessed valuation in the political
42 subdivision.

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

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

6 (2) If the department:

7 (A) acts under an appeal initiated by one (1) or more taxpayers
 8 under section 13 of this chapter; or

9 (B) fails to act on the appeal before the department certifies its
 10 action under subsection (f);

11 a taxpayer who signed the statement filed to initiate the appeal.

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

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

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

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

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

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

29 (2) either:

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

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

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

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

1 connection with this review of the budget.

2 (k) The department of local government finance may hold a hearing
3 under subsection (c) only if the notice required in section 12 of this
4 chapter is published at least ten (10) days before the date of the
5 hearing.

6 SECTION 157. IC 6-1.1-17-17, AS AMENDED BY P.L.2-2006,
7 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JANUARY 1, 2009]: Sec. 17. Subject to the limitations contained in
9 ~~IC 6-1.1-19~~; IC 6-1.1-18.5 ~~IC 20-45~~; and IC 20-46, the department of
10 local government finance may at any time increase the tax rate and tax
11 levy of a political subdivision for the following reasons:

- 12 (1) To pay the principal or interest upon a funding, refunding, or
13 judgment funding obligation of a political subdivision.
14 (2) To pay the interest or principal upon an outstanding obligation
15 of the political subdivision.
16 (3) To pay a judgment rendered against the political subdivision.
17 (4) To pay lease rentals that have become an obligation of the
18 political subdivision under IC 20-47-2 or IC 20-47-3.

19 SECTION 158. IC 6-1.1-17-19, AS AMENDED BY P.L.2-2006,
20 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JANUARY 1, 2009]: Sec. 19. If there is a conflict between the
22 provisions of this chapter and the provisions of ~~IC 6-1.1-19~~;
23 IC 6-1.1-18.5 ~~IC 20-45~~; or IC 20-46, the provisions of ~~IC 6-1.1-19~~;
24 IC 6-1.1-18.5 ~~IC 20-45~~; and IC 20-46 control with respect to the
25 adoption of, review of, and limitations on budgets, tax rates, and tax
26 levies.

27 SECTION 159. IC 6-1.1-17-20.5 IS ADDED TO THE INDIANA
28 CODE AS A NEW SECTION TO READ AS FOLLOWS
29 [EFFECTIVE JULY 1, 2008]: **Sec. 20.5. (a) This section applies to
30 the governing body of a taxing unit unless a majority of the
31 governing body is comprised of officials who are elected to serve on
32 the governing body.**

33 **(b) As used in this section, "taxing unit" has the meaning set
34 forth in IC 6-1.1-1-21, except that the term does not include an
35 entity whose tax levies are subject to review and modification by a
36 city-county legislative body under IC 36-3-6-9.**

37 **(c) If:**

- 38 **(1) the assessed valuation of a taxing unit is entirely contained
39 within a city or town; or**
40 **(2) the assessed valuation of a taxing unit is not entirely
41 contained within a city or town but the taxing unit was
42 originally established by the city or town;**

1 **the governing body of the taxing unit may not issue bonds or enter**
 2 **into a lease payable in whole or in part from property taxes unless**
 3 **it obtains the approval of the city or town fiscal body.**

4 **(d) This subsection applies to a taxing unit not described in**
 5 **subsection (c). The governing body of the taxing unit may not issue**
 6 **bonds or enter into a lease payable in whole or in part from**
 7 **property taxes unless it obtains the approval of the county fiscal**
 8 **body in the county where the taxing unit has the most net assessed**
 9 **valuation.**

10 SECTION 160. IC 6-1.1-18-2, AS AMENDED BY P.L.224-2007,
 11 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2008]: Sec. 2. **(a) Before January 1, 2009**, the state may not
 13 impose a **combined ad valorem property** tax rate on tangible property
 14 ~~in excess of thirty-three hundredths of one cent (\$0.0033) on each one~~
 15 ~~hundred dollars (\$100) of assessed valuation. that exceeds the sum of~~
 16 **the ad valorem property tax rates permitted under IC 4-9.1-1-8,**
 17 **IC 14-23-3-3, and IC 15-1.5-7-3.** The state tax rate is not subject to
 18 review by county boards of tax adjustment ~~(before January 1, 2009),~~
 19 ~~county boards of tax and capital projects review (after December 31,~~
 20 ~~2008);~~ or county auditors.

21 **(b) Except as permitted under IC 4-9.1-1-8 to repay notes issued**
 22 **to meet casual deficits in state revenue, the state may not impose an**
 23 **ad valorem property tax rate on tangible property after December**
 24 **31, 2008.**

25 **(c) This section does not apply to political subdivisions of the state.**

26 SECTION 161. IC 6-1.1-18-3, AS AMENDED BY P.L.224-2007,
 27 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 UPON PASSAGE]: Sec. 3. (a) Except as provided in subsection (b),
 29 the sum of all tax rates for all political subdivisions imposed on
 30 tangible property within a political subdivision may not exceed:

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

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

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

- 1 (1) To pay the principal or interest on a funding, refunding, or
 2 judgment funding obligation of the political subdivision.
- 3 (2) To pay the principal or interest on an outstanding obligation
 4 issued by the political subdivision if notice of the sale of the
 5 obligation was published before March 9, 1937.
- 6 (3) To pay the principal or interest upon:
- 7 (A) an obligation issued by the political subdivision to meet a
 8 emergency which results from a flood, fire, pestilence, war, or
 9 any other major disaster; or
- 10 (B) a note issued under IC 36-2-6-18, IC 36-3-4-22,
 11 IC 36-4-6-20, or IC 36-5-2-11 to enable a city, town, or county
 12 to acquire necessary equipment or facilities for municipal or
 13 county government.
- 14 (4) To pay the principal or interest upon an obligation issued in
 15 the manner provided in:
- 16 (A) IC 6-1.1-20-3 (before its repeal); ~~or~~
- 17 (B) IC 6-1.1-20-3.1 through IC 6-1.1-20-3.2; ~~or~~
- 18 (C) **IC 6-1.1-20-3.5 through IC 6-1.1-20-3.6.**
- 19 (5) To pay a judgment rendered against the political subdivision.
- 20 (6) **This subdivision expires January 1, 2009.** To meet the
 21 requirements of the family and children's fund for child services
 22 (as defined in IC 12-19-7-1, **before its repeal**).
- 23 (7) To meet the requirements of the county hospital care for the
 24 indigent fund.
- 25 (8) **This subdivision expires January 1, 2009.** To meet the
 26 requirements of the children's psychiatric residential treatment
 27 services fund for children's psychiatric residential treatment
 28 services (as defined in IC 12-19-7.5-1, **before its repeal**).
- 29 (c) Except as otherwise provided in IC 6-1.1-19 (**before January**
 30 **1, 2009**), IC 6-1.1-18.5, IC 20-45 (**before January 1, 2009**), or
 31 IC 20-46, a county board of tax adjustment, (~~before January 1, 2009~~);
 32 a county board of tax and capital projects review (~~after December 31,~~
 33 ~~2008~~); a county auditor, or the department of local government finance
 34 may review the portion of a tax rate described in subsection (b) only to
 35 determine if it exceeds the portion actually needed to provide for one
 36 (1) of the purposes itemized in that subsection.
- 37 SECTION 162. IC 6-1.1-18-11, AS AMENDED BY P.L.2-2006,
 38 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JANUARY 1, 2009]: Sec. 11. If there is a conflict between the
 40 provisions of this chapter and the provisions of ~~IC 6-1.1-19;~~
 41 IC 6-1.1-18.5 ~~IC 20-45;~~ or IC 20-46, the provisions of ~~IC 6-1.1-19;~~
 42 IC 6-1.1-18.5 ~~IC 20-45;~~ and IC 20-46 control with respect to the

1 adoption of, review of, and limitations on budgets, tax rates, and tax
2 levies.

3 SECTION 163. IC 6-1.1-18-12, AS AMENDED BY P.L.219-2007,
4 SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2008]: Sec. 12. (a) For purposes of this section, "maximum
6 rate" refers to the maximum:

7 (1) property tax rate or rates; or

8 (2) special benefits tax rate or rates;

9 referred to in the statutes listed in subsection (d).

10 (b) The maximum rate for taxes first due and payable after 2003 is
11 the maximum rate that would have been determined under subsection
12 (e) for taxes first due and payable in 2003 if subsection (e) had applied
13 for taxes first due and payable in 2003.

14 (c) The maximum rate must be adjusted each year to account for the
15 change in assessed value of real property that results from:

16 (1) an annual adjustment of the assessed value of real property
17 under IC 6-1.1-4-4.5; or

18 (2) a general reassessment of real property under IC 6-1.1-4-4.

19 (d) The statutes to which subsection (a) refers are:

20 (1) IC 8-10-5-17;

21 (2) IC 8-22-3-11;

22 (3) IC 8-22-3-25;

23 (4) IC 12-29-1-1;

24 (5) IC 12-29-1-2;

25 (6) IC 12-29-1-3;

26 (7) IC 12-29-3-6;

27 (8) IC 13-21-3-12;

28 (9) IC 13-21-3-15;

29 (10) IC 14-27-6-30;

30 (11) IC 14-33-7-3;

31 (12) IC 14-33-21-5;

32 (13) IC 15-1-6-2;

33 (14) IC 15-1-8-1;

34 (15) IC 15-1-8-2;

35 (16) IC 16-20-2-18;

36 (17) IC 16-20-4-27;

37 (18) IC 16-20-7-2;

38 (19) IC 16-22-14;

39 (20) IC 16-23-1-29;

40 (21) IC 16-23-3-6;

41 (22) IC 16-23-4-2;

42 (23) IC 16-23-5-6;

- 1 (24) IC 16-23-7-2;
 2 (25) IC 16-23-8-2;
 3 (26) IC 16-23-9-2;
 4 (27) IC 16-41-15-5;
 5 (28) IC 16-41-33-4;
 6 (29) IC 20-46-2-3 **(before its repeal on January 1, 2009)**;
 7 (30) IC 20-46-6-5;
 8 (31) IC 20-49-2-10;
 9 (32) IC 36-1-19-1;
 10 (33) IC 23-14-66-2;
 11 (34) IC 23-14-67-3;
 12 (35) IC 36-7-13-4;
 13 (36) IC 36-7-14-28;
 14 (37) IC 36-7-15.1-16;
 15 (38) IC 36-8-19-8.5;
 16 (39) IC 36-9-6.1-2;
 17 (40) IC 36-9-17.5-4;
 18 (41) IC 36-9-27-73;
 19 (42) IC 36-9-29-31;
 20 (43) IC 36-9-29.1-15;
 21 (44) IC 36-10-6-2;
 22 (45) IC 36-10-7-7;
 23 (46) IC 36-10-7-8;
 24 (47) IC 36-10-7.5-19;
 25 (48) IC 36-10-13-5;
 26 (49) IC 36-10-13-7;
 27 (50) IC 36-10-14-4;
 28 (51) IC 36-12-7-7;
 29 (52) IC 36-12-7-8;
 30 (53) IC 36-12-12-10; and
 31 (54) any statute enacted after December 31, 2003, that:
 32 (A) establishes a maximum rate for any part of the:
 33 (i) property taxes; or
 34 (ii) special benefits taxes;
 35 imposed by a political subdivision; and
 36 (B) does not exempt the maximum rate from the adjustment
 37 under this section.
 38 (e) The new maximum rate under a statute listed in subsection (d)
 39 is the tax rate determined under STEP SEVEN of the following STEPS:
 40 STEP ONE: Determine the maximum rate for the political
 41 subdivision levying a property tax or special benefits tax under
 42 the statute for the year preceding the year in which the annual

- 1 adjustment or general reassessment takes effect.
- 2 STEP TWO: Determine the actual percentage increase (rounded
- 3 to the nearest one-hundredth percent (0.01%)) in the assessed
- 4 value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the
- 5 taxable property from the year preceding the year the annual
- 6 adjustment or general reassessment takes effect to the year that
- 7 the annual adjustment or general reassessment takes effect.
- 8 STEP THREE: Determine the three (3) calendar years that
- 9 immediately precede the ensuing calendar year and in which a
- 10 statewide general reassessment of real property does not first take
- 11 effect.
- 12 STEP FOUR: Compute separately, for each of the calendar years
- 13 determined in STEP THREE, the actual percentage increase
- 14 (rounded to the nearest one-hundredth percent (0.01%)) in the
- 15 assessed value (before the adjustment, if any, under
- 16 IC 6-1.1-4-4.5) of the taxable property from the preceding year.
- 17 STEP FIVE: Divide the sum of the three (3) quotients computed
- 18 in STEP FOUR by three (3).
- 19 STEP SIX: Determine the greater of the following:
- 20 (A) Zero (0).
- 21 (B) The result of the STEP TWO percentage minus the STEP
- 22 FIVE percentage.
- 23 STEP SEVEN: Determine the quotient of the STEP ONE tax rate
- 24 divided by the sum of one (1) plus the STEP SIX percentage
- 25 increase.
- 26 (f) The department of local government finance shall compute the
- 27 maximum rate allowed under subsection (e) and provide the rate to
- 28 each political subdivision with authority to levy a tax under a statute
- 29 listed in subsection (d).
- 30 SECTION 164. IC 6-1.1-18.5-3, AS AMENDED BY P.L.224-2007,
- 31 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 32 JANUARY 1, 2009]: Sec. 3. (a) ~~Except as otherwise provided in this~~
- 33 ~~chapter and IC 6-3.5-8-12~~; A civil taxing unit that is treated as not
- 34 being located in an adopting county under section 4 of this chapter may
- 35 not impose an ad valorem property tax levy for an ensuing calendar
- 36 year that exceeds the amount determined in the last STEP of the
- 37 following STEPS:
- 38 STEP ONE: Add the civil taxing unit's maximum permissible ad
- 39 valorem property tax levy for the preceding calendar year to the
- 40 part of the civil taxing unit's certified share, if any, that was used
- 41 to reduce the civil taxing unit's ad valorem property tax levy under
- 42 STEP EIGHT of subsection (b) for that preceding calendar year.

1 STEP TWO: Multiply the amount determined in STEP ONE by
2 the amount determined in the last STEP of section 2(b) of this
3 chapter.

4 STEP THREE: Determine the lesser of one and fifteen hundredths
5 (1.15) or the quotient (rounded to the nearest ten-thousandth
6 (0.0001)), of the assessed value of all taxable property subject to
7 the civil taxing unit's ad valorem property tax levy for the ensuing
8 calendar year, divided by the assessed value of all taxable
9 property that is subject to the civil taxing unit's ad valorem
10 property tax levy for the ensuing calendar year and that is
11 contained within the geographic area that was subject to the civil
12 taxing unit's ad valorem property tax levy in the preceding
13 calendar year.

14 STEP FOUR: Determine the greater of the amount determined in
15 STEP THREE or one (1).

16 STEP FIVE: Multiply the amount determined in STEP TWO by
17 the amount determined in STEP FOUR.

18 STEP SIX: Add the amount determined under STEP TWO to the
19 amount determined under subsection (c).

20 STEP SEVEN: Determine the greater of the amount determined
21 under STEP FIVE or the amount determined under STEP SIX.

22 (b) Except as otherwise provided in this chapter, ~~and IC 6-3.5-8-12,~~
23 a civil taxing unit that is treated as being located in an adopting county
24 under section 4 of this chapter may not impose an ad valorem property
25 tax levy for an ensuing calendar year that exceeds the amount
26 determined in the last STEP of the following STEPS:

27 STEP ONE: Add the civil taxing unit's maximum permissible ad
28 valorem property tax levy for the preceding calendar year to the
29 part of the civil taxing unit's certified share, if any, used to reduce
30 the civil taxing unit's ad valorem property tax levy under STEP
31 EIGHT of this subsection for that preceding calendar year.

32 STEP TWO: Multiply the amount determined in STEP ONE by
33 the amount determined in the last STEP of section 2(b) of this
34 chapter.

35 STEP THREE: Determine the lesser of one and fifteen hundredths
36 (1.15) or the quotient of the assessed value of all taxable property
37 subject to the civil taxing unit's ad valorem property tax levy for
38 the ensuing calendar year divided by the assessed value of all
39 taxable property that is subject to the civil taxing unit's ad
40 valorem property tax levy for the ensuing calendar year and that
41 is contained within the geographic area that was subject to the
42 civil taxing unit's ad valorem property tax levy in the preceding

1 calendar year.
 2 STEP FOUR: Determine the greater of the amount determined in
 3 STEP THREE or one (1).
 4 STEP FIVE: Multiply the amount determined in STEP TWO by
 5 the amount determined in STEP FOUR.
 6 STEP SIX: Add the amount determined under STEP TWO to the
 7 amount determined under subsection (c).
 8 STEP SEVEN: Determine the greater of the amount determined
 9 under STEP FIVE or the amount determined under STEP SIX.
 10 STEP EIGHT: Subtract the amount determined under STEP FIVE
 11 of subsection (e) from the amount determined under STEP
 12 SEVEN of this subsection.

13 **(c) The amount to be entered under STEP SIX of subsection (a)**
 14 **or STEP SIX of subsection (b), as applicable, equals the sum of the**
 15 **following:**

16 **(1) If a civil taxing unit in the immediately preceding calendar**
 17 **year provided an area outside its boundaries with services on a**
 18 **contractual basis and in the ensuing calendar year that area has**
 19 **been annexed by the civil taxing unit, the amount to be entered**
 20 **under STEP SIX of subsection (a) or STEP SIX of subsection (b);**
 21 **as the case may be, equals the amount paid by the annexed area**
 22 **during the immediately preceding calendar year for services that**
 23 **the civil taxing unit must provide to that area during the ensuing**
 24 **calendar year as a result of the annexation.**

25 **(2) If the civil taxing unit has had an excessive levy appeal**
 26 **approved under section 13(1) of this chapter for the ensuing**
 27 **calendar year, an amount determined by the civil taxing unit**
 28 **for the ensuing calendar year that does not exceed the amount**
 29 **of that excessive levy.**

30 In all other cases, the amount to be entered under STEP SIX of
 31 subsection (a) or STEP SIX of subsection (b), as the case may be,
 32 equals zero (0).

33 (d) This subsection applies only to civil taxing units located in a
 34 county having a county adjusted gross income tax rate for resident
 35 county taxpayers (as defined in IC 6-3.5-1.1-1) of one percent (1%) as
 36 of January 1 of the ensuing calendar year. For each civil taxing unit, the
 37 amount to be added to the amount determined in subsection (e), STEP
 38 FOUR, is determined using the following formula:

39 STEP ONE: Multiply the civil taxing unit's maximum permissible
 40 ad valorem property tax levy for the preceding calendar year by
 41 two percent (2%).

42 STEP TWO: For the determination year, the amount to be used as

- 1 the STEP TWO amount is the amount determined in subsection
 2 (f) for the civil taxing unit. For each year following the
 3 determination year the STEP TWO amount is the lesser of:
 4 (A) the amount determined in STEP ONE; or
 5 (B) the amount determined in subsection (f) for the civil taxing
 6 unit.
- 7 STEP THREE: Determine the greater of:
 8 (A) zero (0); or
 9 (B) the civil taxing unit's certified share for the ensuing
 10 calendar year minus the greater of:
 11 (i) the civil taxing unit's certified share for the calendar year
 12 that immediately precedes the ensuing calendar year; or
 13 (ii) the civil taxing unit's base year certified share.
- 14 STEP FOUR: Determine the greater of:
 15 (A) zero (0); or
 16 (B) the amount determined in STEP TWO minus the amount
 17 determined in STEP THREE.
- 18 Add the amount determined in STEP FOUR to the amount determined
 19 in subsection (e), STEP THREE, as provided in subsection (e), STEP
 20 FOUR.
- 21 (e) For each civil taxing unit, the amount to be subtracted under
 22 subsection (b), STEP EIGHT, is determined using the following
 23 formula:
- 24 STEP ONE: Determine the lesser of the civil taxing unit's base
 25 year certified share for the ensuing calendar year, as determined
 26 under section 5 of this chapter, or the civil taxing unit's certified
 27 share for the ensuing calendar year.
- 28 STEP TWO: Determine the greater of:
 29 (A) zero (0); or
 30 (B) the remainder of:
 31 (i) the amount of federal revenue sharing money that was
 32 received by the civil taxing unit in 1985; minus
 33 (ii) the amount of federal revenue sharing money that will be
 34 received by the civil taxing unit in the year preceding the
 35 ensuing calendar year.
- 36 STEP THREE: Determine the lesser of:
 37 (A) the amount determined in STEP TWO; or
 38 (B) the amount determined in subsection (f) for the civil taxing
 39 unit.
- 40 STEP FOUR: Add the amount determined in subsection (d),
 41 STEP FOUR, to the amount determined in STEP THREE.
- 42 STEP FIVE: Subtract the amount determined in STEP FOUR

1 from the amount determined in STEP ONE.

2 (f) As used in this section, a taxing unit's "determination year"
 3 means the latest of:

4 (1) calendar year 1987, if the taxing unit is treated as being
 5 located in an adopting county for calendar year 1987 under
 6 section 4 of this chapter;

7 (2) the taxing unit's base year, as defined in section 5 of this
 8 chapter, if the taxing unit is treated as not being located in an
 9 adopting county for calendar year 1987 under section 4 of this
 10 chapter; or

11 (3) the ensuing calendar year following the first year that the
 12 taxing unit is located in a county that has a county adjusted gross
 13 income tax rate of more than one-half percent (0.5%) on July 1 of
 14 that year.

15 The amount to be used in subsections (d) and (e) for a taxing unit
 16 depends upon the taxing unit's certified share for the ensuing calendar
 17 year, the taxing unit's determination year, and the county adjusted gross
 18 income tax rate for resident county taxpayers (as defined in
 19 IC 6-3.5-1.1-1) that is in effect in the taxing unit's county on July 1 of
 20 the year preceding the ensuing calendar year. For the determination
 21 year and the ensuing calendar years following the taxing unit's
 22 determination year, the amount is the taxing unit's certified share for
 23 the ensuing calendar year multiplied by the appropriate factor
 24 prescribed in the following table:

25 COUNTIES WITH A TAX RATE OF 1/2%

	Subsection (e)
Year	Factor
For the determination year and each ensuing	
calendar year following the determination year	0

30 COUNTIES WITH A TAX RATE OF 3/4%

	Subsection (e)
Year	Factor
For the determination year and each ensuing	
calendar year following the determination year	1/2

35 COUNTIES WITH A TAX RATE OF 1.0%

	Subsection (d)	Subsection (e)
Year	Factor	Factor
For the determination year	1/6	1/3
For the ensuing calendar year		
following the determination year	1/4	1/3
For the ensuing calendar year		
following the determination year		

1 by two (2) years 1/3 1/3

2 (g) This subsection applies only to property taxes first due and
3 payable after December 31, 2007. This subsection applies only to a
4 civil taxing unit that is located in a county for which a county adjusted
5 gross income tax rate is first imposed or is increased in a particular
6 year under IC 6-3.5-1.1-24 or a county option income tax rate is first
7 imposed or is increased in a particular year under IC 6-3.5-6-30.
8 Notwithstanding any provision in this section or any other section of
9 this chapter and except as provided in subsection (h), the maximum
10 permissible ad valorem property tax levy calculated under this section
11 for the ensuing calendar year for a civil taxing unit subject to this
12 section is equal to the civil taxing unit's maximum permissible ad
13 valorem property tax levy for the current calendar year.

14 (h) This subsection applies only to property taxes first due and
15 payable after December 31, 2007. In the case of a civil taxing unit that:

16 (1) is partially located in a county for which a county adjusted
17 gross income tax rate is first imposed or is increased in a
18 particular year under IC 6-3.5-1.1-24 or a county option income
19 tax rate is first imposed or is increased in a particular year under
20 IC 6-3.5-6-30; and

21 (2) is partially located in a county that is not described in
22 subdivision (1);

23 the department of local government finance shall, notwithstanding
24 subsection (g), adjust the portion of the civil taxing unit's maximum
25 permissible ad valorem property tax levy that is attributable (as
26 determined by the department of local government finance) to the
27 county or counties described in subdivision (2). The department of
28 local government finance shall adjust this portion of the civil taxing
29 unit's maximum permissible ad valorem property tax levy so that,
30 notwithstanding subsection (g), this portion is allowed to increase as
31 otherwise provided in this section. If the department of local
32 government finance increases the civil taxing unit's maximum
33 permissible ad valorem property tax levy under this subsection, any
34 additional property taxes imposed by the civil taxing unit under the
35 adjustment shall be paid only by the taxpayers in the county or counties
36 described in subdivision (2).

37 SECTION 165. IC 6-1.1-18.5-7, AS AMENDED BY P.L.224-2007,
38 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 UPON PASSAGE]: Sec. 7. (a) A civil taxing unit is not subject to the
40 levy limits imposed by section 3 of this chapter for an ensuing calendar
41 year if the civil taxing unit did not adopt an ad valorem property tax
42 levy for the immediately preceding calendar year.

1 (b) If under subsection (a) a civil taxing unit is not subject to the
 2 levy limits imposed under section 3 of this chapter for a calendar year,
 3 the civil taxing unit shall refer its proposed budget, ad valorem
 4 property tax levy, and property tax rate for that calendar year to the
 5 local government tax control board established by section 11 of this
 6 chapter (before January 1, 2009) or the ~~county board of tax and capital~~
 7 ~~projects review~~ **fiscal body of the county in which the greatest part**
 8 **of the civil taxing unit's net assessed valuation is located** (after
 9 December 31, 2008) before the tax levy is advertised. The local
 10 government tax control board (before January 1, 2009) or the county
 11 ~~board of tax and capital projects review~~ **fiscal body** (after December
 12 31, 2008) shall then review and make a recommendation to the
 13 department of local government finance on the civil taxing unit's
 14 budget, ad valorem property tax levy, and property tax rate for that
 15 calendar year. The department of local government finance shall make
 16 a final determination of the civil taxing unit's budget, ad valorem
 17 property tax levy, and property tax rate for that calendar year. However,
 18 a civil taxing unit may not impose a property tax levy for a year if the
 19 unit did not exist as of March 1 of the preceding year.

20 SECTION 166. IC 6-1.1-18.5-8, AS AMENDED BY P.L.224-2007,
 21 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 UPON PASSAGE]: Sec. 8. (a) The ad valorem property tax levy limits
 23 imposed by section 3 of this chapter do not apply to ad valorem
 24 property taxes imposed by a civil taxing unit if the civil taxing unit is
 25 committed to levy the taxes to pay or fund either:

- 26 (1) bonded indebtedness; or
- 27 (2) lease rentals under a lease with an original term of at least five
- 28 (5) years.

29 (b) ~~This subsection does not apply to bonded indebtedness incurred~~
 30 ~~or leases executed for a capital project approved by a county board of~~
 31 ~~tax and capital projects review under IC 6-1.1-29.5 after December 31,~~
 32 ~~2008. This subsection does not apply to bonds or a lease rental~~
 33 ~~agreement for which the preliminary determination to issue the~~
 34 ~~bonds or enter into the lease rental agreement is made by a civil~~
 35 ~~taxing unit after December 31, 2008.~~ A civil taxing unit must file a
 36 petition requesting approval from the department of local government
 37 finance to incur bonded indebtedness or execute a lease with an
 38 original term of at least five (5) years not later than twenty-four (24)
 39 months after the first date of publication of notice of a preliminary
 40 determination under IC 6-1.1-20-3.1(2), unless the civil taxing unit
 41 demonstrates that a longer period is reasonable in light of the civil
 42 taxing unit's facts and circumstances. A civil taxing unit must obtain

1 approval from the department of local government finance before the
2 civil taxing unit may:

- 3 (1) incur the bonded indebtedness; or
- 4 (2) enter into the lease.

5 Before January 1, 2009, the department of local government finance
6 may seek recommendations from the local government tax control
7 board established by section 11 of this chapter when determining
8 whether to authorize incurring the bonded indebtedness or the
9 execution of the lease.

10 (c) **This subsection does not apply to bonds or a lease rental**
11 **agreement for which the preliminary determination to issue the**
12 **bonds or enter into the lease rental agreement is made by a civil**
13 **taxing unit after December 31, 2008.** The department of local
14 government finance shall render a decision within three (3) months
15 after the date it receives a request for approval under subsection (b).
16 However, the department of local government finance may extend this
17 three (3) month period by an additional three (3) months if, at least ten
18 (10) days before the end of the original three (3) month period, the
19 department sends notice of the extension to the executive officer of the
20 civil taxing unit. A civil taxing unit may petition for judicial review of
21 the final determination of the department of local government finance
22 under this section. The petition must be filed in the tax court not more
23 than forty-five (45) days after the department enters its order under this
24 section.

25 (d) A civil taxing unit does not need approval under subsection (b)
26 to obtain temporary loans made in anticipation of and to be paid from
27 current revenues of the civil taxing unit actually levied and in the
28 course of collection for the fiscal year in which the loans are made.

29 (e) For purposes of computing the ad valorem property tax levy
30 limits imposed on a civil taxing unit by section 3 of this chapter, the
31 civil taxing unit's ad valorem property tax levy for a calendar year does
32 not include that part of its levy that is committed to fund or pay bond
33 indebtedness or lease rentals with an original term of five (5) years in
34 subsection (a).

35 (f) **This subsection does not apply to bonds or a lease rental**
36 **agreement for which the preliminary determination to issue the**
37 **bonds or enter into the lease rental agreement is made by a civil**
38 **taxing unit after December 31, 2008.** A taxpayer may petition for
39 judicial review of the final determination of the department of local
40 government finance under this section. The petition must be filed in the
41 tax court not more than thirty (30) days after the department enters its
42 order under this section.

1 **(g) Notwithstanding any other provision, review by the**
 2 **department of local government finance and approval by the**
 3 **department of local government finance is not required before a**
 4 **civil taxing unit may issue or enter into bonds, a lease, or any other**
 5 **obligation if the civil taxing unit's preliminary determination to**
 6 **issue or enter into the bonds, lease, or other obligation is made**
 7 **after December 31, 2008.**

8 **(h) This subsection applies after December 31, 2008.**
 9 **Notwithstanding any other provision, review by the department of**
 10 **local government finance and approval by the department of local**
 11 **government finance is not required before a civil taxing unit may**
 12 **construct, alter, or repair a capital project.**

13 SECTION 167. IC 6-1.1-18.5-9.7 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 9.7. (a) The ad
 15 valorem property tax levy limits imposed by section 3 of this chapter
 16 do not apply to ad valorem property taxes imposed under: ~~any of the~~
 17 ~~following:~~

18 (1) IC 12-16, except IC 12-16-1; **or**

19 ~~(2) IC 12-19-5.~~

20 ~~(3) IC 12-19-7.~~

21 ~~(4) IC 12-19-7.5.~~

22 ~~(5)~~ **(2) IC 12-20-24.**

23 (b) For purposes of computing the ad valorem property tax levy
 24 limits imposed under section 3 of this chapter, a county's or township's
 25 ad valorem property tax levy for a particular calendar year does not
 26 include that part of the levy imposed under the citations listed in
 27 subsection (a).

28 ~~(c) Section 8(b) of this chapter does not apply to bonded~~
 29 ~~indebtedness that will be repaid through property taxes imposed under~~
 30 ~~IC 12-19.~~

31 **(c) Notwithstanding subsections (a) and (b), the ad valorem**
 32 **property tax levy limits imposed by section 3 of this chapter do**
 33 **apply to property taxes imposed under IC 12-20-24 after December**
 34 **31, 2008, to pay principal and interest on any short term loans**
 35 **obtained under IC 12-20 after December 31, 2008.**

36 SECTION 168. IC 6-1.1-18.5-9.9, AS AMENDED BY P.L.2-2006,
 37 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 9.9. (a) The department
 39 of local government finance shall adjust the maximum property tax rate
 40 levied under the statutes listed in section 9.8(a) of this chapter,
 41 IC 20-46-3-6, or IC 20-46-6-5 in each county for property taxes first
 42 due and payable in:

- 1 (1) 2004;
 2 (2) the year the county first applies the deduction under
 3 IC 6-1.1-12-41, if the county first applies that deduction for
 4 property taxes first due and payable in 2005 or 2006; and
 5 (3) 2007, if the county does not apply the deduction under
 6 IC 6-1.1-12-41 for any year.

7 (b) If the county does not apply the deduction under IC 6-1.1-12-41
 8 for property taxes first due and payable in 2004, the department shall
 9 compute the adjustment under subsection (a)(1) to allow a levy for the
 10 fund for which the property tax rate is levied that equals the levy that
 11 would have applied for the fund if exemptions under
 12 IC 6-1.1-10-29(b)(2) (**repealed**) did not apply for the 2003 assessment
 13 date.

14 (c) If the county applies the deduction under IC 6-1.1-12-41 for
 15 property taxes first due and payable in 2004, the department shall
 16 compute the adjustment under subsection (a)(1) to allow a levy for the
 17 fund for which the property tax rate is levied that equals the levy that
 18 would have applied for the fund if:

- 19 (1) exemptions under IC 6-1.1-10-29(b)(2) (**repealed**); and
 20 (2) deductions under IC 6-1.1-12-41;

21 did not apply for the 2003 assessment date.

22 (d) The department shall compute the adjustment under subsection
 23 (a)(2) to allow a levy for the fund for which the property tax rate is
 24 levied that equals the levy that would have applied for the fund if
 25 deductions under IC 6-1.1-12-41 did not apply for the assessment date
 26 of the year that immediately precedes the year for which the adjustment
 27 is made.

28 (e) The department shall compute the adjustment under subsection
 29 (a)(3) to allow a levy for the fund for which the property tax rate is
 30 levied that equals the levy that would have applied for the fund if
 31 deductions under IC 6-1.1-12-42 did not apply for the 2006 assessment
 32 date.

33 SECTION 169. IC 6-1.1-18.5-10 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 10. (a) The ad
 35 valorem property tax levy limits imposed by section 3 of this chapter
 36 do not apply to ad valorem property taxes imposed by a civil taxing
 37 unit to be used to fund:

- 38 (1) community mental health centers under:
 39 (A) IC 12-29-2-1.2, for only those civil taxing units that
 40 authorized financial assistance under IC 12-29-1 before 2002
 41 for a community mental health center as long as the tax levy
 42 under this section does not exceed the levy authorized in 2002;

1 (B) IC 12-29-2-2 through IC 12-29-2-5; and
 2 (C) IC 12-29-2-13; or
 3 (2) community mental retardation and other developmental
 4 disabilities centers under IC 12-29-1-1;
 5 to the extent that those property taxes are attributable to any increase
 6 in the assessed value of the civil taxing unit's taxable property caused
 7 by a general reassessment of real property that took effect after
 8 February 28, 1979.

9 (b) For purposes of computing the ad valorem property tax levy
 10 limits imposed on a civil taxing unit by section 3 of this chapter, the
 11 civil taxing unit's ad valorem property tax levy for a particular calendar
 12 year does not include that part of the levy described in subsection (a).

13 **(c) This subsection applies to property taxes first due and**
 14 **payable after December 31, 2008. Notwithstanding subsections (a)**
 15 **and (b) or any other law, any property taxes imposed by a civil**
 16 **taxing unit that are exempted by this section from the ad valorem**
 17 **property tax levy limits imposed by section 3 of this chapter may**
 18 **not increase annually by a percentage greater than the result of:**

19 (1) the assessed value growth quotient determined under
 20 section 2 of this chapter; minus
 21 (2) one (1).

22 SECTION 170. IC 6-1.1-18.5-10.1 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 10.1. (a) The ad
 24 valorem property tax levy limits imposed by section 3 of this chapter
 25 do not apply to ad valorem property taxes imposed by a county, city, or
 26 town to supplemental juror fees adopted under IC 33-37-10-1, to the
 27 extent provided in ~~subsection~~ **subsections (b) and (c).**

28 (b) **Subject to subsection (c),** for purposes of determining the
 29 property tax levy limit imposed on a county, city, or town under section
 30 3 of this chapter, the county, city, or town's ad valorem property tax
 31 levy for a calendar year does not include an amount equal to:

32 (1) the average annual expenditures for nonsupplemental juror
 33 fees under IC 33-37-10-1, using the five (5) most recent years for
 34 which expenditure amounts are available; multiplied by
 35 (2) the percentage increase in juror fees that is attributable to
 36 supplemental juror fees under the most recent ordinance adopted
 37 under IC 33-37-10-1.

38 **(c) For property taxes first due and payable after December 31,**
 39 **2008, property taxes may be excluded under subsection (b) from**
 40 **the ad valorem property tax levy limits imposed by section 3 of this**
 41 **chapter only to the extent that:**

42 (1) the county fiscal body adopts a resolution approving some

1 **or all of the property taxes that may be excluded by a city or**
 2 **town under subsection (b), in the case of property taxes**
 3 **imposed by a city or town; or**

4 **(2) the county fiscal body adopts a resolution:**

5 **(A) that approves some or all of the property taxes that**
 6 **may be excluded by the county under subsection (b); and**

7 **(B) that explains why the exclusion under subsection (b) is**
 8 **necessary and in the best interest of taxpayers;**

9 **in the case of property taxes imposed by the county.**

10 **In the case of a city or town located in more than one (1) county,**
 11 **the exclusion under subsection (b) must be approved by the fiscal**
 12 **body of the county in which the greatest part of the city's or town's**
 13 **net assessed valuation is located.**

14 SECTION 171. IC 6-1.1-18.5-10.3, AS AMENDED BY
 15 P.L.231-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS
 16 [EFFECTIVE JANUARY 1, 2009]: Sec. 10.3. (a) **This subsection**
 17 **does not apply to property taxes first due and payable after**
 18 **December 31, 2008.** The ad valorem property tax levy limits imposed
 19 by section 3 of this chapter do not apply to ad valorem property taxes
 20 imposed by a library board for a capital projects fund under
 21 IC 36-12-12. However, the maximum amount that is exempt from the
 22 levy limits under this section may not exceed the property taxes that
 23 would be raised in the ensuing calendar year with a property tax rate of
 24 one and thirty-three hundredths cents (\$0.0133) per one hundred
 25 dollars (\$100) of assessed valuation.

26 (b) **This subsection does not apply to property taxes first due**
 27 **and payable after December 31, 2008.** For purposes of computing the
 28 ad valorem property tax levy limit imposed on a library board under
 29 section 3 of this chapter, the library board's ad valorem property tax
 30 levy for a particular calendar year does not include that part of the levy
 31 imposed under IC 36-12-12 that is exempt from the ad valorem
 32 property tax levy limits under subsection (a).

33 SECTION 172. IC 6-1.1-18.5-10.5 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 10.5. (a) The ad
 35 valorem property tax levy limits imposed by section 3 of this chapter
 36 do not apply to ad valorem property taxes imposed by a civil taxing
 37 unit for fire protection services within a fire protection territory under
 38 IC 36-8-19, if the civil taxing unit is a participating unit in a fire
 39 protection territory established before August 1, 2001. For purposes of
 40 computing the ad valorem property tax levy limits imposed on a civil
 41 taxing unit by section 3 of this chapter on a civil taxing unit that is a
 42 participating unit in a fire protection territory established before August

1 1, 2001, the civil taxing unit's ad valorem property tax levy for a
 2 particular calendar year does not include that part of the levy imposed
 3 under IC 36-8-19.

4 (b) This subsection applies to a participating unit in a fire protection
 5 territory established under IC 36-8-19 after July 31, 2001. The ad
 6 valorem property tax levy limits imposed by section 3 of this chapter
 7 do not apply to ad valorem property taxes imposed by a civil taxing
 8 unit for fire protection services within a fire protection territory under
 9 IC 36-8-19 for the three (3) calendar years in which the participating
 10 unit levies a tax to support the territory. For purposes of computing the
 11 ad valorem property tax levy limits imposed on a civil taxing unit by
 12 section 3 of this chapter for the three (3) calendar years for which the
 13 participating unit levies a tax to support the territory, the civil taxing
 14 unit's ad valorem property tax levy for a particular calendar year does
 15 not include that part of the levy imposed under IC 36-8-19.

16 **(c) This subsection applies to property taxes first due and**
 17 **payable after December 31, 2008. Notwithstanding subsections (a)**
 18 **and (b) or any other law, any property taxes imposed by a civil**
 19 **taxing unit that are exempted by this section from the ad valorem**
 20 **property tax levy limits imposed by section 3 of this chapter may**
 21 **not increase annually by a percentage greater than the result of:**

22 **(1) the assessed value growth quotient determined under**
 23 **section 2 of this chapter; minus**

24 **(2) one (1).**

25 SECTION 173. IC 6-1.1-18.5-12, AS AMENDED BY
 26 P.L.219-2007, SECTION 56, AND AS AMENDED BY P.L.224-2007,
 27 SECTION 24, IS CORRECTED AND AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 12. (a) Any civil
 29 taxing unit that determines that it cannot carry out its governmental
 30 functions for an ensuing calendar year under the levy limitations
 31 imposed by section 3 of this chapter may:

32 (1) before September 20 of the calendar year immediately
 33 preceding the ensuing calendar year; or

34 (2) in the case of a request described in section 16 of this chapter,
 35 before

36 ~~(A) December 31 of the calendar year immediately preceding~~
 37 ~~the ensuing calendar year; or~~

38 ~~(B) with the approval of the county fiscal body of the county~~
 39 ~~in which the civil taxing unit is located, March 1 of the~~
 40 ~~ensuing calendar year;~~

41 appeal to the ~~department of local government finance~~ **fiscal body of**
 42 **the county in which the civil taxing unit is located (or to the**

1 **distressed unit appeal board in the case of an appeal under section**
 2 **13(a)(13) of this chapter)** for relief from those levy limitations. In the
 3 appeal the civil taxing unit must state that it will be unable to carry out
 4 the governmental functions committed to it by law unless it is given the
 5 authority that it is petitioning for. The civil taxing unit must support
 6 these allegations by reasonably detailed statements of fact. **In the case**
 7 **of a civil taxing unit located in more than one (1) county that files**
 8 **an appeal with a county fiscal body, the civil taxing unit shall file**
 9 **the appeal with the fiscal body of the county in which the greatest**
 10 **part of the civil taxing unit's net assessed valuation is located.**

11 (b) The department of local government finance shall promptly
 12 deliver to the local government tax control board (*before January 1,*
 13 *2009*) *or the county board of tax and capital projects review (after*
 14 *December 31, 2008)* every appeal petition it receives under subsection
 15 (a) and any materials it receives relevant to those appeals. Upon receipt
 16 of an appeal petition, the local government tax control board *or the*
 17 *county board of tax and capital projects review* **a county fiscal body**
 18 **(or the distressed unit appeal board in the case of an appeal under**
 19 **section 13(a)(13) of this chapter)** shall immediately proceed to the
 20 examination and consideration of the merits of the civil taxing unit's
 21 appeal.

22 (c) In considering an appeal, the local government tax control board
 23 *or the county board of tax and capital projects review* **a county fiscal**
 24 **body (or the distressed unit appeal board in the case of an appeal**
 25 **under section 13(a)(13) of this chapter)** has the power to conduct
 26 hearings, require any officer or member of the appealing civil taxing
 27 unit to appear before it, or require any officer or member of the
 28 appealing civil taxing unit to provide the board **county fiscal body (or**
 29 **the distressed unit appeal board in the case of an appeal under**
 30 **section 13(a)(13) of this chapter)** with any relevant records or books.

31 (d) If an officer or member:

32 (1) fails to appear at a hearing of the local government tax control
 33 board *or the county board of tax and capital projects review* after
 34 having been given written notice from the local government tax
 35 control board *or the county board of tax and capital projects*
 36 *review* requiring that person's attendance; or

37 (2) fails to produce for the local government tax control board's
 38 *or the county board of tax and capital projects review's* use the
 39 books and records that the local government tax control board *or*
 40 *the county board of tax and capital projects review* by written
 41 notice required the officer or member to produce;

42 then the local government tax control board *or the county board of tax*

1 ~~and capital projects review~~ may file an affidavit in the circuit court in
 2 the jurisdiction in which the officer or member may be found setting
 3 forth the facts of the failure.

4 (e) Upon the filing of an affidavit under subsection (d), the circuit
 5 court shall promptly issue a summons, and the sheriff of the county
 6 within which the circuit court is sitting shall serve the summons. The
 7 summons must command the officer or member to appear before the
 8 local government tax control board ~~or the county board of tax and~~
 9 ~~capital projects review~~, to provide information to the local government
 10 tax control board ~~or the county board of tax and capital projects~~
 11 ~~review~~, or to produce books and records for the local government tax
 12 control board's ~~or the county board of tax and capital projects review's~~
 13 use, as the case may be. Disobedience of the summons constitutes, and
 14 is punishable as, a contempt of the circuit court that issued the
 15 summons.

16 (f) All expenses incident to the filing of an affidavit under
 17 subsection (d) and the issuance and service of a summons shall be
 18 charged to the officer or member against whom the summons is issued;
 19 unless the circuit court finds that the officer or member was acting in
 20 good faith and with reasonable cause. If the circuit court finds that the
 21 officer or member was acting in good faith and with reasonable cause
 22 or if an affidavit is filed and no summons is issued, the expenses shall
 23 be charged against the county in which the affidavit was filed and shall
 24 be allowed by the proper fiscal officers of that county.

25 (g) (d) The fiscal officer of a civil taxing unit that appeals under
 26 section 16 of this chapter for relief from levy limitations shall
 27 immediately file a copy of the appeal petition with the county auditor
 28 and the county treasurer of the county in which the unit is located.

29 SECTION 174. IC 6-1.1-18.5-13, AS AMENDED BY
 30 P.L.196-2007, SECTION 2, AND AS AMENDED BY P.L.224-2007,
 31 SECTION 25, IS CORRECTED AND AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) With
 33 respect to an appeal filed under section 12 of this chapter, the local
 34 government tax control board (*before January 1, 2009*) **may**
 35 **recommend** ~~or the county board of tax and capital projects review~~
 36 **fiscal body of the county in which the civil taxing unit is located**
 37 (*after December 31, 2008*) **(or the distressed unit appeal board, in**
 38 **the case of an appeal under subdivision (13))** may recommend
 39 **determine** that a civil taxing unit receive any one (1) or more of the
 40 following types of relief:

41 (1) ~~A levy increase may not be granted under this subdivision for~~
 42 ~~property taxes first due and payable after December 31, 2009.~~

1 Permission to the civil taxing unit to increase its levy in excess of
 2 the limitations established under section 3 of this chapter, if in the
 3 judgment of the local government tax control board the increase
 4 is reasonably necessary due to increased costs of the civil taxing
 5 unit resulting from annexation, consolidation, or other extensions
 6 of governmental services by the civil taxing unit to additional
 7 geographic areas or persons. **With respect to annexation,
 8 consolidation, or other extensions of governmental services in
 9 a calendar year, if those increased costs are incurred by the
 10 civil taxing unit in that calendar year and more than one (1)
 11 immediately succeeding calendar year, the unit may appeal
 12 under section 12 of this chapter for permission to increase its
 13 levy under this subdivision based on those increased costs in
 14 any of the following:**

15 (A) **The first calendar year in which those costs are
 16 incurred.**

17 (B) **One (1) or more of the immediately succeeding four (4)
 18 calendar years.**

19 (2) *A levy increase may not be granted under this subdivision for*
 20 *property taxes first due and payable after December 31, ~~2009~~*
 21 **2008.** Permission to the civil taxing unit to increase its levy in
 22 excess of the limitations established under section 3 of this
 23 chapter, if the local government tax control board finds that the
 24 civil taxing unit needs the increase to meet the civil taxing unit's
 25 share of the costs of operating a court established by statute
 26 enacted after December 31, 1973. Before recommending such an
 27 increase, the local government tax control board shall consider all
 28 other revenues available to the civil taxing unit that could be
 29 applied for that purpose. The maximum aggregate levy increases
 30 that the local government tax control board may recommend for
 31 a particular court equals the civil taxing unit's estimate of the
 32 unit's share of the costs of operating a court for the first full
 33 calendar year in which it is in existence. For purposes of this
 34 subdivision, costs of operating a court include:

35 (A) the cost of personal services (including fringe benefits);

36 (B) the cost of supplies; and

37 (C) any other cost directly related to the operation of the court.

38 (3) Permission to the civil taxing unit to increase its levy in excess
 39 of the limitations established under section 3 of this chapter, if the
 40 local government tax control board **(before January 1, 2009) or
 41 the county fiscal body (after December 31, 2008)** finds that the
 42 quotient determined under STEP SIX of the following formula is

1 equal to or greater than one and two-hundredths (1.02):

2 STEP ONE: Determine the three (3) calendar years that most
3 immediately precede the ensuing calendar year and in which
4 a statewide general reassessment of real property *or the initial*
5 *annual adjustment of the assessed value of real property*
6 *under IC 6-1.1-4-4.5* does not first become effective.

7 STEP TWO: Compute separately, for each of the calendar
8 years determined in STEP ONE, the quotient (rounded to the
9 nearest ten-thousandth (0.0001)) of the sum of the civil taxing
10 unit's total assessed value of all taxable property and:

11 **(i) for a particular calendar year before 2007**, the total
12 assessed value of property tax deductions in the unit under
13 IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar
14 year; **or**

15 **(ii) for a particular calendar year after 2006, the total**
16 **assessed value of property tax deductions that applied in**
17 **the unit under IC 6-1.1-12-42 in 2006;**

18 divided by the sum of the civil taxing unit's total assessed
19 value of all taxable property and the total assessed value of
20 property tax deductions in the unit under ~~IC 6-1.1-12-41~~ or
21 ~~IC 6-1.1-12-42~~ **in determined under this STEP** for the
22 calendar year immediately preceding the particular calendar
23 year.

24 STEP THREE: Divide the sum of the three (3) quotients
25 computed in STEP TWO by three (3).

26 STEP FOUR: Compute separately, for each of the calendar
27 years determined in STEP ONE, the quotient (rounded to the
28 nearest ten-thousandth (0.0001)) of the sum of the total
29 assessed value of all taxable property in all counties and:

30 **(i) for a particular calendar year before 2007**, the total
31 assessed value of property tax deductions in all counties
32 under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular
33 calendar year; **or**

34 **(ii) for a particular calendar year after 2006, the total**
35 **assessed value of property tax deductions that applied in**
36 **all counties under IC 6-1.1-12-42 in 2006;**

37 divided by the sum of the total assessed value of all taxable
38 property in all counties and the total assessed value of property
39 tax deductions in all counties under ~~IC 6-1.1-12-41~~ or
40 ~~IC 6-1.1-12-42~~ **in determined under this STEP** for the
41 calendar year immediately preceding the particular calendar
42 year.

1 STEP FIVE: Divide the sum of the three (3) quotients
2 computed in STEP FOUR by three (3).

3 STEP SIX: Divide the STEP THREE amount by the STEP
4 FIVE amount.

5 The civil taxing unit may increase its levy by a percentage not
6 greater than the percentage by which the STEP THREE amount
7 exceeds the percentage by which the civil taxing unit may
8 increase its levy under section 3 of this chapter based on the
9 assessed value growth quotient determined under section 2 of this
10 chapter.

11 *(4) A levy increase may not be granted under this subdivision for*
12 *property taxes first due and payable after December 31, ~~2009~~:*
13 **2008.** Permission to the civil taxing unit to increase its levy in
14 excess of the limitations established under section 3 of this
15 chapter, if the local government tax control board finds that the
16 civil taxing unit needs the increase to pay the costs of furnishing
17 fire protection for the civil taxing unit through a volunteer fire
18 department. For purposes of determining a township's need for an
19 increased levy, the local government tax control board shall not
20 consider the amount of money borrowed under IC 36-6-6-14
21 during the immediately preceding calendar year. However, any
22 increase in the amount of the civil taxing unit's levy recommended
23 by the local government tax control board under this subdivision
24 for the ensuing calendar year may not exceed the lesser of:

- 25 (A) ten thousand dollars (\$10,000); or
26 (B) twenty percent (20%) of:
27 (i) the amount authorized for operating expenses of a
28 volunteer fire department in the budget of the civil taxing
29 unit for the immediately preceding calendar year; plus
30 (ii) the amount of any additional appropriations authorized
31 during that calendar year for the civil taxing unit's use in
32 paying operating expenses of a volunteer fire department
33 under this chapter; minus
34 (iii) the amount of money borrowed under IC 36-6-6-14
35 during that calendar year for the civil taxing unit's use in
36 paying operating expenses of a volunteer fire department.

37 *(5) A levy increase may not be granted under this subdivision for*
38 *property taxes first due and payable after December 31, ~~2009~~:*
39 **2008.** Permission to a civil taxing unit to increase its levy in
40 excess of the limitations established under section 3 of this
41 chapter in order to raise revenues for pension payments and
42 contributions the civil taxing unit is required to make under

1 IC 36-8. The maximum increase in a civil taxing unit's levy that
 2 may be recommended under this subdivision for an ensuing
 3 calendar year equals the amount, if any, by which the pension
 4 payments and contributions the civil taxing unit is required to
 5 make under IC 36-8 during the ensuing calendar year exceeds the
 6 product of one and one-tenth (1.1) multiplied by the pension
 7 payments and contributions made by the civil taxing unit under
 8 IC 36-8 during the calendar year that immediately precedes the
 9 ensuing calendar year. For purposes of this subdivision, "pension
 10 payments and contributions made by a civil taxing unit" does not
 11 include that part of the payments or contributions that are funded
 12 by distributions made to a civil taxing unit by the state.

13 *(6) A levy increase may not be granted under this subdivision for*
 14 *property taxes first due and payable after December 31, 2009.*
 15 **2008.** Permission to increase its levy in excess of the limitations
 16 established under section 3 of this chapter if the local government
 17 tax control board finds that:

18 (A) the township's township assistance ad valorem property
 19 tax rate is less than one and sixty-seven hundredths cents
 20 (\$0.0167) per one hundred dollars (\$100) of assessed
 21 valuation; and

22 (B) the township needs the increase to meet the costs of
 23 providing township assistance under IC 12-20 and IC 12-30-4.

24 The maximum increase that the board may recommend for a
 25 township is the levy that would result from an increase in the
 26 township's township assistance ad valorem property tax rate of
 27 one and sixty-seven hundredths cents (\$0.0167) per one hundred
 28 dollars (\$100) of assessed valuation minus the township's ad
 29 valorem property tax rate per one hundred dollars (\$100) of
 30 assessed valuation before the increase.

31 *(7) A levy increase may not be granted under this subdivision for*
 32 *property taxes first due and payable after December 31, 2009.*
 33 **2008.** Permission to a civil taxing unit to increase its levy in
 34 excess of the limitations established under section 3 of this
 35 chapter if:

36 (A) the increase has been approved by the legislative body of
 37 the municipality with the largest population where the civil
 38 taxing unit provides public transportation services; and

39 (B) the local government tax control board finds that the civil
 40 taxing unit needs the increase to provide adequate public
 41 transportation services.

42 The local government tax control board shall consider tax rates

1 and levies in civil taxing units of comparable population, and the
 2 effect (if any) of a loss of federal or other funds to the civil taxing
 3 unit that might have been used for public transportation purposes.
 4 However, the increase that the board may recommend under this
 5 subdivision for a civil taxing unit may not exceed the revenue that
 6 would be raised by the civil taxing unit based on a property tax
 7 rate of one cent (\$.01) per one hundred dollars (\$100) of
 8 assessed valuation.

9 *(8) A levy increase may not be granted under this subdivision for*
 10 *property taxes first due and payable after December 31, ~~2009~~*

11 **2008.** Permission to a civil taxing unit to increase the unit's levy
 12 in excess of the limitations established under section 3 of this
 13 chapter if the local government tax control board finds that:

14 (A) the civil taxing unit is:

15 (i) a county having a population of more than one hundred
 16 forty-eight thousand (148,000) but less than one hundred
 17 seventy thousand (170,000);

18 (ii) a city having a population of more than fifty-five
 19 thousand (55,000) but less than fifty-nine thousand (59,000);

20 (iii) a city having a population of more than twenty-eight
 21 thousand seven hundred (28,700) but less than twenty-nine
 22 thousand (29,000);

23 (iv) a city having a population of more than fifteen thousand
 24 four hundred (15,400) but less than sixteen thousand six
 25 hundred (16,600); or

26 (v) a city having a population of more than seven thousand
 27 (7,000) but less than seven thousand three hundred (7,300);

28 and

29 (B) the increase is necessary to provide funding to undertake
 30 removal (as defined in IC 13-11-2-187) and remedial action
 31 (as defined in IC 13-11-2-185) relating to hazardous
 32 substances (as defined in IC 13-11-2-98) in solid waste
 33 disposal facilities or industrial sites in the civil taxing unit that
 34 have become a menace to the public health and welfare.

35 The maximum increase that the local government tax control
 36 board may recommend for such a civil taxing unit is the levy that
 37 would result from a property tax rate of six and sixty-seven
 38 hundredths cents (\$.0667) for each one hundred dollars (\$100)
 39 of assessed valuation. For purposes of computing the ad valorem
 40 property tax levy limit imposed on a civil taxing unit under
 41 section 3 of this chapter, the civil taxing unit's ad valorem
 42 property tax levy for a particular year does not include that part of

1 the levy imposed under this subdivision. In addition, a property
 2 tax increase permitted under this subdivision may be imposed for
 3 only two (2) calendar years.

4 *(9) A levy increase may not be granted under this subdivision for*
 5 *property taxes first due and payable after December 31, ~~2009~~:*

6 **2008.** Permission for a county:

7 (A) having a population of more than eighty thousand (80,000)
 8 but less than ninety thousand (90,000) to increase the county's
 9 levy in excess of the limitations established under section 3 of
 10 this chapter, if the local government tax control board finds
 11 that the county needs the increase to meet the county's share of
 12 the costs of operating a jail or juvenile detention center,
 13 including expansion of the facility, if the jail or juvenile
 14 detention center is opened after December 31, 1991;

15 (B) that operates a county jail or juvenile detention center that
 16 is subject to an order that:

17 (i) was issued by a federal district court; and

18 (ii) has not been terminated;

19 (C) that operates a county jail that fails to meet:

20 (i) American Correctional Association Jail Construction
 21 Standards; and

22 (ii) Indiana jail operation standards adopted by the
 23 department of correction; or

24 (D) that operates a juvenile detention center that fails to meet
 25 standards equivalent to the standards described in clause (C)
 26 for the operation of juvenile detention centers.

27 Before recommending an increase, the local government tax
 28 control board shall consider all other revenues available to the
 29 county that could be applied for that purpose. An appeal for
 30 operating funds for a jail or a juvenile detention center shall be
 31 considered individually, if a jail and juvenile detention center are
 32 both opened in one (1) county. The maximum aggregate levy
 33 increases that the local government tax control board may
 34 recommend for a county equals the county's share of the costs of
 35 operating the jail or a juvenile detention center for the first full
 36 calendar year in which the jail or juvenile detention center is in
 37 operation.

38 *(10) A levy increase may not be granted under this subdivision*
 39 *for property taxes first due and payable after December 31, ~~2009~~:*

40 **2008.** Permission for a township to increase its levy in excess of
 41 the limitations established under section 3 of this chapter, if the
 42 local government tax control board finds that the township needs

1 the increase so that the property tax rate to pay the costs of
 2 furnishing fire protection for a township, or a portion of a
 3 township, enables the township to pay a fair and reasonable
 4 amount under a contract with the municipality that is furnishing
 5 the fire protection. However, for the first time an appeal is granted
 6 the resulting rate increase may not exceed fifty percent (50%) of
 7 the difference between the rate imposed for fire protection within
 8 the municipality that is providing the fire protection to the
 9 township and the township's rate. A township is required to appeal
 10 a second time for an increase under this subdivision if the
 11 township wants to further increase its rate. However, a township's
 12 rate may be increased to equal but may not exceed the rate that is
 13 used by the municipality. More than one (1) township served by
 14 the same municipality may use this appeal.

15 *(11) A levy increase may not be granted under this subdivision*
 16 *for property taxes first due and payable after December 31, 2009:*
 17 **2008.** Permission for a township to increase its levy in excess of
 18 the limitations established under section 3 of this chapter, if the
 19 local government tax control board finds that the township has
 20 been required, for the three (3) consecutive years preceding the
 21 year for which the appeal under this subdivision is to become
 22 effective, to borrow funds under IC 36-6-6-14 to furnish fire
 23 protection for the township or a part of the township. However,
 24 the maximum increase in a township's levy that may be allowed
 25 under this subdivision is the least of the amounts borrowed under
 26 IC 36-6-6-14 during the preceding three (3) calendar years. A
 27 township may elect to phase in an approved increase in its levy
 28 under this subdivision over a period not to exceed three (3) years.
 29 A particular township may appeal to increase its levy under this
 30 section not more frequently than every fourth calendar year.

31 *(12) A levy increase may not be granted under this subdivision*
 32 *for property taxes first due and payable after December 31, 2009:*
 33 **2008.** Permission to a city having a population of more than
 34 twenty-nine thousand (29,000) but less than thirty-one thousand
 35 (31,000) to increase its levy in excess of the limitations
 36 established under section 3 of this chapter if:

- 37 (A) an appeal was granted to the city under this section to
 38 reallocate property tax replacement credits under IC 6-3.5-1.1
 39 in 1998, 1999, and 2000; and
 40 (B) the increase has been approved by the legislative body of
 41 the city, and the legislative body of the city has by resolution
 42 determined that the increase is necessary to pay normal

1 operating expenses.

2 The maximum amount of the increase is equal to the amount of
3 property tax replacement credits under IC 6-3.5-1.1 that the city
4 petitioned under this section to have reallocated in 2001 for a
5 purpose other than property tax relief.

6 *(13) A levy increase may be granted under this subdivision only*
7 *for property taxes first due and payable after December 31, ~~2009~~*
8 **2008. Permission to a civil taxing unit to increase its levy in**
9 **excess of the limitations established under section 3 of this**
10 **chapter if the civil taxing unit cannot carry out its governmental**
11 **functions for an ensuing calendar year under the levy limitations**
12 **imposed by section 3 of this chapter. The distressed unit appeal**
13 **board shall make determinations on any appeals under this**
14 **subdivision.**

15 **(b) With respect to an appeal filed under section 12 of this**
16 **chapter, the determination of a county fiscal body after December**
17 **31, 2008, is not subject to review or approval by the department of**
18 **local government finance.**

19 SECTION 175. IC 6-1.1-18.5-13.6, AS AMENDED BY
20 P.L.224-2007, SECTION 27, IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 13.6. A levy increase
22 may not be granted under this section for property taxes first due and
23 payable after December 31, ~~2009~~ **2008**. For an appeal filed under
24 section 12 of this chapter, the local government tax control board may
25 recommend that the department of local government finance give
26 permission to a county to increase its levy in excess of the limitations
27 established under section 3 of this chapter if the local government tax
28 control board finds that the county needs the increase to pay for:

- 29 (1) a new voting system; or
30 (2) the expansion or upgrade of an existing voting system;
31 under IC 3-11-6.

32 SECTION 176. IC 6-1.1-18.5-14, AS AMENDED BY
33 P.L.224-2007, SECTION 28, IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) The local
35 government tax control board (before January 1, 2009) or ~~the~~ **a county**
36 **board of tax and capital projects review fiscal body** (after December
37 31, 2008) may recommend to the department of local government
38 finance a correction of any advertising error, mathematical error, or
39 error in data made at the local level for any calendar year that affects
40 the determination of the limitations established by section 3 of this
41 chapter or the tax rate or levy of a civil taxing unit. The department of
42 local government finance may on its own initiative correct such an

1 advertising error, mathematical error, or error in data for any civil
2 taxing unit.

3 (b) A correction made under subsection (a) for a prior calendar year
4 shall be applied to the civil taxing unit's levy limitations, rate, and levy
5 for the ensuing calendar year to offset any cumulative effect that the
6 error caused in the determination of the civil taxing unit's levy
7 limitations, rate, or levy for the ensuing calendar year.

8 SECTION 177. IC 6-1.1-18.5-15, AS AMENDED BY
9 P.L.224-2007, SECTION 29, IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) **This**
11 **subsection applies to recommendations made by the local**
12 **government tax control board before January 1, 2009.** The
13 department of local government finance, upon receiving a
14 recommendation made under section 13 or 14 of this chapter, shall
15 enter an order adopting, rejecting, or adopting in part and rejecting in
16 part the recommendation of the local government tax control board.
17 ~~(before January 1, 2009) or the county board of tax and capital projects~~
18 ~~review (after December 31, 2008).~~

19 (b) **In the case of a determination by a county fiscal body under**
20 **section 13 of this chapter after December 31, 2008, the county fiscal**
21 **body shall enter an order specifying its determination. The**
22 **determination of the county fiscal body is not subject to review or**
23 **approval by the department of local government finance, and the**
24 **department of local government finance may not reject all or any**
25 **part of a recommendation made by the county fiscal body.**

26 (c) **This subsection applies to a recommendation made by a**
27 **county fiscal body under section 14 of this chapter after December**
28 **31, 2008. The department of local government finance, upon**
29 **receiving a recommendation by a county fiscal body made under**
30 **section 14 of this chapter, shall enter an order adopting, rejecting,**
31 **or adopting in part and rejecting in part the recommendation of**
32 **the county fiscal body.**

33 (d) **In the case of a determination by the distressed unit appeal**
34 **board in the case of an appeal under section 13(a)(13) of this**
35 **chapter after December 31, 2008, the distressed unit appeal board**
36 **shall enter an order specifying its determination. The**
37 **determination of the distressed unit appeal board is not subject to**
38 **review or approval by the department of local government finance,**
39 **and the department of local government finance may not reject all**
40 **or any part of a recommendation made by the distressed unit**
41 **appeal board.**

42 ~~(b)~~ (e) A civil taxing unit may petition for judicial review of the

1 final determination ~~of made by~~ the department of local government
 2 finance under subsection (a) **or (c), by a county fiscal body under**
 3 **subsection (b), or by the distressed unit appeal board under**
 4 **subsection (d).** The action must be taken to the tax court under
 5 IC 6-1.1-15 in the same manner that an action is taken to appeal a final
 6 determination of the Indiana board. The petition must be filed in the tax
 7 court not more than forty-five (45) days after the department enters its
 8 order under subsection (a) **or (c), the county fiscal body enters its**
 9 **order under subsection (b), or the distressed unit appeal board**
 10 **enters its order under subsection (d).**

11 SECTION 178. IC 6-1.1-18.5-16, AS AMENDED BY
 12 P.L.224-2007, SECTION 30, IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) A civil
 14 taxing unit may request permission from the local government tax
 15 control board (before January 1, 2009) or the county ~~board of tax and~~
 16 ~~capital projects review~~ **fiscal body of the county in which the civil**
 17 **taxing unit is located** (after December 31, 2008) to impose an ad
 18 valorem property tax levy that exceeds the limits imposed by section 3
 19 of this chapter if:

- 20 (1) the civil taxing unit experienced a property tax revenue
 21 shortfall that resulted from erroneous assessed valuation figures
 22 being provided to the civil taxing unit;
- 23 (2) the erroneous assessed valuation figures were used by the civil
 24 taxing unit in determining its total property tax rate; and
- 25 (3) the error in the assessed valuation figures was found after the
 26 civil taxing unit's property tax levy resulting from that total rate
 27 was finally approved by the department of local government
 28 finance.

29 (b) A civil taxing unit may request permission from the local
 30 government tax control board (before January 1, 2009) or the county
 31 ~~board of tax and capital projects review~~ **fiscal body of the county in**
 32 **which the civil taxing unit is located** (after December 31, 2008) to
 33 impose an ad valorem property tax levy that exceeds the limits imposed
 34 by section 3 of this chapter if the civil taxing unit experienced a
 35 property tax revenue shortfall because of the payment of refunds that
 36 resulted from appeals under this article and IC 6-1.5.

37 (c) If the local government tax control board (before January 1,
 38 2009) or the county ~~board of tax and capital projects review~~ **fiscal**
 39 **body of the county in which the civil taxing unit is located** (after
 40 December 31, 2008) determines that a shortfall described in subsection
 41 (a) or (b) has occurred, it shall recommend to the department of local
 42 government finance that the civil taxing unit be allowed to impose a

1 property tax levy exceeding the limit imposed by section 3 of this
 2 chapter, and the department may adopt such recommendation.
 3 However, the maximum amount by which the civil taxing unit's levy
 4 may be increased over the limits imposed by section 3 of this chapter
 5 equals the remainder of the civil taxing unit's property tax levy for the
 6 particular calendar year as finally approved by the department of local
 7 government finance minus the actual property tax levy collected by the
 8 civil taxing unit for that particular calendar year.

9 (d) Any property taxes collected by a civil taxing unit over the limits
 10 imposed by section 3 of this chapter under the authority of this section
 11 may not be treated as a part of the civil taxing unit's maximum
 12 permissible ad valorem property tax levy for purposes of determining
 13 its maximum permissible ad valorem property tax levy for future years.

14 (e) If the department of local government finance authorizes an
 15 excess tax levy under this section, it shall take appropriate steps to
 16 insure that the proceeds are first used to repay any loan made to the
 17 civil taxing unit for the purpose of meeting its current expenses.

18 SECTION 179. IC 6-1.1-19-1, AS AMENDED BY P.L.2-2006,
 19 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JANUARY 1, 2009]: Sec. 1. The following definitions apply
 21 throughout this chapter:

22 (1) "Appeal" refers to an appeal taken to the department of local
 23 government finance by or in respect of a school corporation under
 24 any of the following:

25 (A) IC 6-1.1-17.

26 ~~(B) This chapter.~~

27 ~~(C) IC 20-45.~~

28 ~~(D) IC 20-46.~~

29 **(B) IC 20-43.**

30 (2) "Tax control board" means the school property tax control
 31 board established by section 4.1 of this chapter.

32 SECTION 180. IC 6-1.1-19-3, AS AMENDED BY P.L.2-2006,
 33 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JANUARY 1, 2009]: Sec. 3. (a) When an appeal is taken to the
 35 department of local government finance, the department may exercise
 36 the powers described in IC 6-1.1-17 to revise, change, or increase the
 37 budget, tax levy, or tax rate of the appellant school corporation. ~~subject~~
 38 ~~to this chapter, IC 20-45, and IC 20-46.~~

39 (b) The department of local government finance may not exercise
 40 any of the powers described in subsection (a) until it receives,
 41 regarding the appellant school corporation's budget, tax levy, or tax
 42 rate, the recommendation of the tax control board.

1 SECTION 181. IC 6-1.1-20-1.1, AS AMENDED BY P.L.2-2006,
 2 SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2008]: Sec. 1.1. As used in this chapter, "controlled project"
 4 means any project financed by bonds or a lease, except for the
 5 following:

6 (1) A project for which the political subdivision reasonably
 7 expects to pay:

8 (A) debt service; or

9 (B) lease rentals;

10 from funds other than property taxes that are exempt from the
 11 levy limitations of IC 6-1.1-18.5 (**before January 1, 2009**) or
 12 IC 20-45-3. A project is not a controlled project even though the
 13 political subdivision has pledged to levy property taxes to pay the
 14 debt service or lease rentals if those other funds are insufficient.

15 (2) A project that will not cost the political subdivision more than
 16 ~~two~~ **the lesser of the following:**

17 (A) **Seven million dollars (~~\$2,000,000~~): (\$7,000,000).**

18 (B) **An amount equal to the greater of:**

19 (i) **five-tenths of one percent (0.5%) of the total gross**
 20 **assessed value of property within the political**
 21 **subdivision on the last assessment date; or**

22 (ii) **five hundred thousand dollars (\$500,000).**

23 (3) A project that is being refinanced for the purpose of providing
 24 gross or net present value savings to taxpayers.

25 (4) A project for which bonds were issued or leases were entered
 26 into before January 1, 1996, or where the state board of tax
 27 commissioners has approved the issuance of bonds or the
 28 execution of leases before January 1, 1996.

29 (5) A project that is required by a court order holding that a
 30 federal law mandates the project.

31 (6) **A project that:**

32 (A) **is in response to**

33 (i) **a natural disaster;**

34 (ii) **an accident; or**

35 (iii) **an emergency;**

36 **in the political subdivision that makes a building or facility**
 37 **unavailable for its intended use; and**

38 (B) **is approved by the county council of each county in**
 39 **which the political subdivision is located.**

40 (7) **A project for which the political subdivision reasonably**
 41 **expects that the only property taxes that will be used to pay**
 42 **debt service or lease rentals are taxes allocated for an**

1 allocation area under IC 6-1.1-39-5, IC 8-22-3.5-9,
2 IC 36-7-14-39, IC 36-7-14.5-12.5, IC 36-7-15.1-26,
3 IC 36-7-15.1-53, IC 36-7-30-25, IC 36-7-30.5-30, or
4 IC 36-7-32-17, if the project meets one (1) or more of the
5 following conditions:

6 (A) The debt service or lease rentals are payable for bonds
7 or a lease:

8 (i) issued or entered into before July 1, 2008;

9 (ii) issued or entered into after June 30, 2008, but
10 authorized by a resolution adopted before July 1, 2008;

11 or

12 (iii) issued or entered into after June 30, 2008, in order
13 to fulfill the terms of agreements or pledges entered into
14 before July 1, 2008, with the holders of bonds or other
15 contractual obligations that were issued or entered into
16 before July 1, 2008, or otherwise prevent an impairment
17 of the rights or remedies of the holders of bonds or other
18 contractual obligations that were issued or entered into
19 before July 1, 2008.

20 (B) Not later than fifteen (15) days after the adoption of the
21 preliminary resolution to issue the bonds or enter into the
22 lease for which the allocated taxes will be used to pay debt
23 service or lease rentals, the Indiana economic development
24 corporation issues a finding stating that the project should
25 not be considered a controlled project for purposes of this
26 chapter. Before making a finding under this clause, the
27 Indiana economic development corporation must consider
28 whether the project or facility for which the debt service or
29 lease rentals will be paid will:

30 (i) lead to increased investment in Indiana;

31 (ii) foster job creation or job retention in Indiana;

32 (iii) have a positive impact on the political subdivision in
33 which the project or facility is located or will be located;

34 or

35 (iv) otherwise benefit the people of Indiana by increasing
36 opportunities for employment in Indiana and
37 strengthening the economy of Indiana.

38 (C) The debt service or lease rentals are payable from
39 taxes allocated under IC 36-7-14 for bonds or a lease
40 issued or entered into to finance:

41 (i) an integrated coal gasification powerplant (as defined
42 in IC 6-3.1-29-6);

- 1 (ii) a part of an integrated coal gasification powerplant
2 (as defined in IC 6-3.1-29-6); or
3 (iii) property used in the operation of maintenance of an
4 integrated coal gasification powerplant (as defined in
5 IC 6-3.1-29-6);
6 that received a certificate of public convenience and
7 necessity from the Indiana utility regulatory commission
8 under IC 8-1-8.5 et seq. before July 1, 2008.

9 **A project is not a controlled project even though the political**
10 **subdivision has pledged to levy other property taxes to pay**
11 **the debt service or lease rentals if the allocated taxes**
12 **described in this subdivision are insufficient.**

13 SECTION 182. IC 6-1.1-20-1.3, AS AMENDED BY P.L.2-2006,
14 SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JANUARY 1, 2009]: Sec. 1.3. As used in this chapter, "lease" means
16 a lease by a political subdivision of any controlled project with lease
17 rentals payable from property taxes that are exempt from the levy
18 limitations of IC 6-1.1-18.5. ~~or IC 20-45-3.~~

19 SECTION 183. IC 6-1.1-20-1.6 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1.6. As used in this
21 chapter, "property taxes" means a property tax rate or levy to pay debt
22 service or to pay lease rentals. ~~but does not include~~ **The term includes**
23 taxes allocated for an allocation area under IC 6-1.1-39-5,
24 IC 8-22-3.5-9, IC 36-7-14-39, **IC 36-7-14.5-12.5**, IC 36-7-15.1-26, ~~or~~
25 IC 36-7-15.1-53, **IC 36-7-30-25, IC 36-7-30.5-30, or IC 36-7-32-17**
26 **to the extent that those taxes are used to pay debt service or lease**
27 **rentals.**

28 SECTION 184. IC 6-1.1-20-1.9, AS ADDED BY P.L.219-2007,
29 SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 2008]: Sec. 1.9. As used in this chapter, "registered voter"
31 means the following:

- 32 (1) In the case of a petition under section 3.1 of this chapter to
33 initiate a petition and remonstrance process, an individual who is
34 registered to vote in the political subdivision on the date the
35 proper officers of the political subdivision publish notice under
36 section ~~3.1(2)~~ **3.1(b)(2)** of this chapter of a preliminary
37 determination by the political subdivision to issue bonds or enter
38 into a lease.
39 (2) In the case of:
40 (A) a petition under section 3.2 of this chapter in favor of the
41 proposed debt service or lease payments; or
42 (B) a remonstrance under section 3.2 of this chapter against

1 the proposed debt service or lease payments;
 2 an individual who is registered to vote in the political subdivision
 3 on the date that is thirty (30) days after the notice of the
 4 applicability of the petition and remonstrance process is published
 5 under section ~~3-2(+)~~ **3.2(b)(1)** of this chapter.

6 **(3) In the case of a public question held under section 3.6 of**
 7 **this chapter, an individual who is registered to vote in the**
 8 **political subdivision on the date that is thirty (30) days before**
 9 **the date of the election in which the public question will be**
 10 **held.**

11 SECTION 185.IC 6-1.1-20-3.1, AS AMENDED BY P.L.219-2007,
 12 SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2008]: Sec. 3.1. **(a) This section applies only to the**
 14 **following:**

15 **(1) Controlled projects for which the proper officers of a**
 16 **political subdivision make a preliminary determination before**
 17 **July 1, 2008, to issue bonds or enter into a lease.**

18 **(2) Controlled projects for which:**

19 **(A) the proper officers of a political subdivision make a**
 20 **preliminary determination after June 30, 2008, to issue**
 21 **bonds or enter into a lease; and**

22 **(B) the only property taxes that will be used to pay debt**
 23 **service or lease rentals for the bonds or lease are taxes**
 24 **allocated for an allocation area under IC 6-1.1-39-5,**
 25 **IC 8-22-3.5-9, IC 36-7-14-39, IC 36-7-14.5-12.5,**
 26 **IC 36-7-15.1-26, IC 36-7-15.1-53, IC 36-7-30-25,**
 27 **IC 36-7-30.5-30, or IC 36-7-32-17.**

28 **(b) A political subdivision may not impose property taxes to pay**
 29 **debt service or lease rentals without completing the following**
 30 **procedures:**

31 **(1) The proper officers of a political subdivision shall:**

32 **(A) publish notice in accordance with IC 5-3-1; and**

33 **(B) send notice by first class mail to any organization that**
 34 **delivers to the officers, before January 1 of that year, an annual**
 35 **written request for such notices;**

36 **of any meeting to consider adoption of a resolution or an**
 37 **ordinance making a preliminary determination to issue bonds or**
 38 **enter into a lease and shall conduct a public hearing on a**
 39 **preliminary determination before adoption of the resolution or**
 40 **ordinance.**

41 **(2) When the proper officers of a political subdivision make a**
 42 **preliminary determination to issue bonds or enter into a lease, the**

- 1 officers shall give notice of the preliminary determination by:
- 2 (A) publication in accordance with IC 5-3-1; and
- 3 (B) first class mail to the organizations described in
- 4 subdivision (1)(B).
- 5 (3) A notice under subdivision (2) of the preliminary
- 6 determination of the political subdivision to issue bonds or enter
- 7 into a lease must include the following information:
- 8 (A) The maximum term of the bonds or lease.
- 9 (B) The maximum principal amount of the bonds or the
- 10 maximum lease rental for the lease.
- 11 (C) The estimated interest rates that will be paid and the total
- 12 interest costs associated with the bonds or lease.
- 13 (D) The purpose of the bonds or lease.
- 14 (E) A statement that any owners of real property within the
- 15 political subdivision or registered voters residing within the
- 16 political subdivision who want to initiate a petition and
- 17 remonstrance process against the proposed debt service or
- 18 lease payments must file a petition that complies with
- 19 subdivisions (4) and (5) not later than thirty (30) days after
- 20 publication in accordance with IC 5-3-1.
- 21 (F) With respect to bonds issued or a lease entered into to
- 22 open:
- 23 (i) a new school facility; or
- 24 (ii) an existing facility that has not been used for at least
- 25 three (3) years and that is being reopened to provide
- 26 additional classroom space;
- 27 the estimated costs the school corporation expects to incur
- 28 annually to operate the facility.
- 29 (G) A statement of whether the school corporation expects to
- 30 appeal for a new facility adjustment (as defined in
- 31 IC 20-45-1-16 **before January 1, 2009**) for an increased
- 32 maximum permissible tuition support levy to pay the estimated
- 33 costs described in clause (F).
- 34 **(H) The political subdivision's current debt service levy**
- 35 **and rate and the estimated increase to the political**
- 36 **subdivision's debt service levy and rate that will result if**
- 37 **the political subdivision issues the bonds or enters into the**
- 38 **lease.**
- 39 (4) After notice is given, a petition requesting the application of
- 40 a petition and remonstrance process may be filed by the lesser of:
- 41 (A) one hundred (100) persons who are either owners of real
- 42 property within the political subdivision or registered voters

- 1 residing within the political subdivision; or
- 2 (B) five percent (5%) of the registered voters residing within
- 3 the political subdivision.
- 4 (5) The state board of accounts shall design and, upon request by
- 5 the county voter registration office, deliver to the county voter
- 6 registration office or the county voter registration office's
- 7 designated printer the petition forms to be used solely in the
- 8 petition process described in this section. The county voter
- 9 registration office shall issue to an owner or owners of real
- 10 property within the political subdivision or a registered voter
- 11 residing within the political subdivision the number of petition
- 12 forms requested by the owner or owners or the registered voter.
- 13 Each form must be accompanied by instructions detailing the
- 14 requirements that:
- 15 (A) the carrier and signers must be owners of real property or
- 16 registered voters;
- 17 (B) the carrier must be a signatory on at least one (1) petition;
- 18 (C) after the signatures have been collected, the carrier must
- 19 swear or affirm before a notary public that the carrier
- 20 witnessed each signature; and
- 21 (D) govern the closing date for the petition period.
- 22 Persons requesting forms may be required to identify themselves
- 23 as owners of real property or registered voters and may be
- 24 allowed to pick up additional copies to distribute to other property
- 25 owners or registered voters. Each person signing a petition must
- 26 indicate whether the person is signing the petition as a registered
- 27 voter within the political subdivision or is signing the petition as
- 28 the owner of real property within the political subdivision. A
- 29 person who signs a petition as a registered voter must indicate the
- 30 address at which the person is registered to vote. A person who
- 31 signs a petition as a real property owner must indicate the address
- 32 of the real property owned by the person in the political
- 33 subdivision.
- 34 (6) Each petition must be verified under oath by at least one (1)
- 35 qualified petitioner in a manner prescribed by the state board of
- 36 accounts before the petition is filed with the county voter
- 37 registration office under subdivision (7).
- 38 (7) Each petition must be filed with the county voter registration
- 39 office not more than thirty (30) days after publication under
- 40 subdivision (2) of the notice of the preliminary determination.
- 41 (8) The county voter registration office shall determine whether
- 42 each person who signed the petition is a registered voter. The

1 county voter registration office shall not more than fifteen (15)
2 business days after receiving a petition forward a copy of the
3 petition to the county auditor. Not more than ten (10) business
4 days after receiving the copy of the petition, the county auditor
5 shall provide to the county voter registration office a statement
6 verifying:

7 (A) whether a person who signed the petition as a registered
8 voter but is not a registered voter, as determined by the county
9 voter registration office, is the owner of real property in the
10 political subdivision; and

11 (B) whether a person who signed the petition as an owner of
12 real property within the political subdivision does in fact own
13 real property within the political subdivision.

14 (9) The county voter registration office shall not more than ten
15 (10) business days after receiving the statement from the county
16 auditor under subdivision (8) make the final determination of the
17 number of petitioners that are registered voters in the political
18 subdivision and, based on the statement provided by the county
19 auditor, the number of petitioners that own real property within
20 the political subdivision. Whenever the name of an individual
21 who signs a petition form as a registered voter contains a minor
22 variation from the name of the registered voter as set forth in the
23 records of the county voter registration office, the signature is
24 presumed to be valid, and there is a presumption that the
25 individual is entitled to sign the petition under this section. Except
26 as otherwise provided in this chapter, in determining whether an
27 individual is a registered voter, the county voter registration office
28 shall apply the requirements and procedures used under IC 3 to
29 determine whether a person is a registered voter for purposes of
30 voting in an election governed by IC 3. However, an individual is
31 not required to comply with the provisions concerning providing
32 proof of identification to be considered a registered voter for
33 purposes of this chapter. A person is entitled to sign a petition
34 only one (1) time in a particular petition and remonstrance
35 process under this chapter, regardless of whether the person owns
36 more than one (1) parcel of real property within the subdivision
37 and regardless of whether the person is both a registered voter in
38 the political subdivision and the owner of real property within the
39 political subdivision. Notwithstanding any other provision of this
40 section, if a petition is presented to the county voter registration
41 office within thirty-five (35) days before an election, the county
42 voter registration office may defer acting on the petition, and the

1 time requirements under this section for action by the county
 2 voter registration office do not begin to run until five (5) days
 3 after the date of the election.

4 (10) The county voter registration office must file a certificate and
 5 each petition with:

6 (A) the township trustee, if the political subdivision is a
 7 township, who shall present the petition or petitions to the
 8 township board; or

9 (B) the body that has the authority to authorize the issuance of
 10 the bonds or the execution of a lease, if the political
 11 subdivision is not a township;

12 within thirty-five (35) business days of the filing of the petition
 13 requesting a petition and remonstrance process. The certificate
 14 must state the number of petitioners that are owners of real
 15 property within the political subdivision and the number of
 16 petitioners who are registered voters residing within the political
 17 subdivision.

18 If a sufficient petition requesting a petition and remonstrance process
 19 is not filed by owners of real property or registered voters as set forth
 20 in this section, the political subdivision may issue bonds or enter into
 21 a lease by following the provisions of law relating to the bonds to be
 22 issued or lease to be entered into.

23 SECTION 186. IC 6-1.1-20-3.2, AS AMENDED HEA1137-2008,
 24 SECTION 47, AND AS AMENDED BY P.L.224-2007, SECTION 31,
 25 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 26 [EFFECTIVE JULY 1, 2008]: Sec. 3.2. **(a) This section applies only**
 27 **to the following:**

28 **(1) Controlled projects for which the proper officers of a**
 29 **political subdivision make a preliminary determination before**
 30 **July 1, 2008, to issue bonds or enter into a lease.**

31 **(2) Controlled projects for which:**

32 **(A) the proper officers of a political subdivision make a**
 33 **preliminary determination after June 30, 2008, to issue**
 34 **bonds or enter into a lease; and**

35 **(B) the only property taxes that will be used to pay debt**
 36 **service or lease rentals for the bonds or lease are taxes**
 37 **allocated for an allocation area under IC 6-1.1-39-5,**
 38 **IC 8-22-3.5-9, IC 36-7-14-39, IC 36-7-14.5-12.5,**
 39 **IC 36-7-15.1-26, IC 36-7-15.1-53, IC 36-7-30-25,**
 40 **IC 36-7-30.5-30, or IC 36-7-32-17.**

41 **(b) If a sufficient petition requesting the application of a petition**
 42 **and remonstrance process has been filed as set forth in section 3.1 of**

1 this chapter, a political subdivision may not impose property taxes to
 2 pay debt service or lease rentals without completing the following
 3 procedures:

4 (1) The proper officers of the political subdivision shall give
 5 notice of the applicability of the petition and remonstrance
 6 process by:

7 (A) publication in accordance with IC 5-3-1; and

8 (B) first class mail to the organizations described in section
 9 ~~3.1(1)(B)~~ **3.1(b)(1)(B)** of this chapter.

10 A notice under this subdivision must include a statement that any
 11 owners of real property *within the political subdivision or*
 12 *registered voters residing* within the political subdivision who
 13 want to petition in favor of or remonstrate against the proposed
 14 debt service or lease payments must file petitions and
 15 remonstrances in compliance with subdivisions (2) through (4)
 16 not earlier than thirty (30) days or later than sixty (60) days after
 17 publication in accordance with IC 5-3-1.

18 (2) Not earlier than thirty (30) days or later than sixty (60) days
 19 after the notice under subdivision (1) is given:

20 (A) petitions (described in subdivision (3)) in favor of the
 21 bonds or lease; and

22 (B) remonstrances (described in subdivision (3)) against the
 23 bonds or lease;

24 may be filed by an owner or owners of real property *within the*
 25 *political subdivision or a registered voter residing* within the
 26 political subdivision. Each signature on a petition must be dated,
 27 and the date of signature may not be before the date on which the
 28 petition and remonstrance forms may be issued under subdivision
 29 (3). A petition described in clause (A) or a remonstrance
 30 described in clause (B) must be verified in compliance with
 31 subdivision (4) before the petition or remonstrance is filed with
 32 the county *auditor voter registration office* under subdivision (4).

33 (3) The state board of accounts shall design and, upon request by
 34 the county *auditor, voter registration office*, deliver to the county
 35 *auditor voter registration office* or the county *auditor's voter*
 36 *registration office's* designated printer the petition and
 37 remonstrance forms to be used solely in the petition and
 38 remonstrance process described in this section. The county
 39 *auditor voter registration office* shall issue to an owner or owners
 40 of real property *within the political subdivision or a registered*
 41 *voter residing* within the political subdivision the number of
 42 petition or remonstrance forms requested by the owner or owners

1 *or the registered voter.* Each form must be accompanied by
 2 instructions detailing the requirements that:

3 (A) the carrier and signers must be owners of real property *or*
 4 *registered voters;*

5 (B) the carrier must be a signatory on at least one (1) petition;

6 (C) after the signatures have been collected, the carrier must
 7 swear or affirm before a notary public that the carrier
 8 witnessed each signature;

9 (D) govern the closing date for the petition and remonstrance
 10 period; and

11 (E) apply to the carrier under section 10 of this chapter.

12 Persons requesting forms may ~~not~~ be required to identify
 13 themselves *as owners of real property or registered voters* and
 14 may be allowed to pick up additional copies to distribute to other
 15 property owners *or registered voters.* *Each person signing a*
 16 *petition or remonstrance must indicate whether the person is*
 17 *signing the petition or remonstrance as a registered voter within*
 18 *the political subdivision or is signing the petition or*
 19 *remonstrance as the owner of real property within the political*
 20 *subdivision. A person who signs a petition or remonstrance as a*
 21 *registered voter must indicate the address at which the person is*
 22 *registered to vote. A person who signs a petition or remonstrance*
 23 *as a real property owner must indicate the address of the real*
 24 *property owned by the person in the political subdivision.* The
 25 county ~~auditor~~ voter registration office may not issue a petition
 26 or remonstrance form earlier than twenty-nine (29) days after the
 27 notice is given under subdivision (1). The county ~~auditor~~ voter
 28 registration office shall certify the date of issuance on each
 29 petition or remonstrance form that is distributed under this
 30 subdivision.

31 (4) The petitions and remonstrances must be verified in the
 32 manner prescribed by the state board of accounts and filed with
 33 the county ~~auditor~~ voter registration office within the sixty (60)
 34 day period described in subdivision (2) in the manner set forth in
 35 section 3.1 of this chapter relating to requests for a petition and
 36 remonstrance process.

37 (5) *The county voter registration office shall determine whether*
 38 *each person who signed the petition or remonstrance is a*
 39 *registered voter. The county voter registration office shall not*
 40 *more than fifteen (15) business days after receiving a petition or*
 41 *remonstrance forward a copy of the petition or remonstrance to*
 42 *the county auditor. Not more than ten (10) business days after*

1 receiving the copy of the petition or remonstrance, the county
 2 auditor shall provide to the county voter registration office a
 3 statement verifying:

4 (A) whether a person who signed the petition or remonstrance
 5 as a registered voter but is not a registered voter, as
 6 determined by the county voter registration office, is the
 7 owner of real property in the political subdivision; and

8 (B) whether a person who signed the petition or remonstrance
 9 as an owner of real property within the political subdivision
 10 does in fact own real property within the political subdivision.

11 (6) The county voter registration office shall not more than ten
 12 (10) business days after receiving the statement from the county
 13 auditor under subdivision (5) make the final determination of:

14 (A) the number of registered voters in the political subdivision
 15 that signed a petition and, based on the statement provided by
 16 the county auditor, the number of owners of real property
 17 within the political subdivision that signed a petition; and

18 (B) the number of registered voters in the political subdivision
 19 that signed a remonstrance and, based on the statement
 20 provided by the county auditor, the number of owners of real
 21 property within the political subdivision that signed a
 22 remonstrance.

23 Whenever the name of an individual who signs a petition or
 24 remonstrance as a registered voter contains a minor variation
 25 from the name of the registered voter as set forth in the records
 26 of the county voter registration office, the signature is presumed
 27 to be valid, and there is a presumption that the individual is
 28 entitled to sign the petition or remonstrance under this section.
 29 Except as otherwise provided in this chapter, in determining
 30 whether an individual is a registered voter, the county voter
 31 registration office shall apply the requirements and procedures
 32 used under IC 3 to determine whether a person is a registered
 33 voter for purposes of voting in an election governed by IC 3.
 34 However, an individual is not required to comply with the
 35 provisions concerning providing proof of identification to be
 36 considered a registered voter for purposes of this chapter. A
 37 person is entitled to sign a petition or remonstrance only one (1)
 38 time in a particular petition and remonstrance process under this
 39 chapter, regardless of whether the person owns more than one (1)
 40 parcel of real property within the subdivision and regardless of
 41 whether the person is both a registered voter in the political
 42 subdivision and the owner of real property within the political

1 *subdivision. Notwithstanding any other provision of this section,*
 2 *if a petition or remonstrance is presented to the county voter*
 3 *registration office within thirty-five (35) days before an election,*
 4 *the county voter registration office may defer acting on the*
 5 *petition or remonstrance, and the time requirements under this*
 6 *section for action by the county voter registration office do not*
 7 *begin to run until five (5) days after the date of the election.*

8 ~~(5)~~ (7) The county ~~auditor~~ voter registration office must file a
 9 certificate and the petition or remonstrance with the body of the
 10 political subdivision charged with issuing bonds or entering into
 11 leases within ~~fifteen (15)~~ thirty-five (35) business days of the
 12 filing of a petition or remonstrance under subdivision (4),
 13 whichever applies, containing ten thousand (10,000) signatures or
 14 less. The county ~~auditor~~ voter registration office may take an
 15 additional five (5) days to review and certify the petition or
 16 remonstrance for each additional five thousand (5,000) signatures
 17 up to a maximum of sixty (60) days. The certificate must state the
 18 number of petitioners and remonstrators that are owners of real
 19 property *within the political subdivision and the number of*
 20 *petitioners who are registered voters residing* within the political
 21 subdivision.

22 ~~(6)~~ (8) If a greater number of *persons who are either* owners of
 23 real property *within the political subdivision or registered voters*
 24 *residing* within the political subdivision sign a remonstrance than
 25 the number that signed a petition, the bonds petitioned for may
 26 not be issued or the lease petitioned for may not be entered into.
 27 The proper officers of the political subdivision may not make a
 28 preliminary determination to issue bonds or enter into a lease for
 29 the controlled project defeated by the petition and remonstrance
 30 process under this section or any other controlled project that is
 31 not substantially different within one (1) year after the date of the
 32 county ~~auditor's~~ voter registration office's certificate under
 33 subdivision ~~(5)~~ (7). Withdrawal of a petition carries the same
 34 consequences as a defeat of the petition.

35 ~~(7)~~ (9) After a political subdivision has gone through the petition
 36 and remonstrance process set forth in this section, the political
 37 subdivision is not required to follow any other remonstrance or
 38 objection procedures under any other law (including section 5 of
 39 this chapter) relating to bonds or leases designed to protect
 40 owners of real property within the political subdivision from the
 41 imposition of property taxes to pay debt service or lease rentals.
 42 However, the political subdivision must still receive the approval

1 of the department of local government finance *if* required by:

2 (A) IC 6-1.1-18.5-8; or

3 (B) IC 20-46-7-8, IC 20-46-7-9, and IC 20-46-7-10.

4 SECTION 187. IC 6-1.1-20-3.5 IS ADDED TO THE INDIANA
5 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
6 [EFFECTIVE JULY 1, 2008]: **Sec. 3.5. (a) This section applies only**

7 **to a controlled project for which:**

8 **(1) the proper officers of a political subdivision make a**
9 **preliminary determination after June 30, 2008, to issue bonds**
10 **or enter into a lease; and**

11 **(2) debt service or lease rentals for the bonds or lease are**
12 **payable in whole or in part from property taxes other than**
13 **taxes allocated for an allocation area under IC 6-1.1-39-5,**
14 **IC 8-22-3.5-9, IC 36-7-14-39, IC 36-7-14.5-12.5,**
15 **IC 36-7-15.1-26, IC 36-7-15.1-53, IC 36-7-30-25,**
16 **IC 36-7-30.5-30, or IC 36-7-32-17.**

17 **(b) A political subdivision may not impose property taxes to pay**
18 **debt service or lease rentals without completing the following**
19 **procedures:**

20 **(1) The proper officers of a political subdivision shall publish**
21 **notice in accordance with IC 5-3-1 and send notice by first**
22 **class mail to any organization that delivers to the officers,**
23 **before January 1 of that year, an annual written request for**
24 **notices of any meeting to consider the adoption of an**
25 **ordinance or a resolution making a preliminary**
26 **determination to issue bonds or enter into a lease and shall**
27 **conduct a public hearing on the preliminary determination**
28 **before adoption of the ordinance or resolution. The political**
29 **subdivision must make the following information available to**
30 **the public at the public hearing on the preliminary**
31 **determination, in addition to any other information required**
32 **by law:**

33 **(A) The result of the political subdivision's current and**
34 **projected annual debt service payments divided by the net**
35 **assessed value of taxable property within the political**
36 **subdivision.**

37 **(B) The result of:**

38 **(i) the sum of the political subdivision's outstanding long**
39 **term debt plus the outstanding long term debt of other**
40 **taxing units that include any of the territory of the**
41 **political subdivision; divided by**

42 **(ii) the net assessed value of taxable property within the**

- 1 **political subdivision.**
- 2 **(C) Whether the net assessed value of taxable property**
- 3 **within the political subdivision has decreased in any of the**
- 4 **preceding five (5) years.**
- 5 **(D) The percentage of property taxes imposed by all taxing**
- 6 **units in the county during each of the preceding three (3)**
- 7 **years that was collected and paid to the political**
- 8 **subdivision.**
- 9 **(E) The number of residents of the county in which the**
- 10 **political subdivision is located who filed a petition under**
- 11 **the federal bankruptcy code during each of the preceding**
- 12 **three (3) years.**
- 13 **(F) The number of homesteads or other residential**
- 14 **property within the political subdivision for which**
- 15 **property tax payments are delinquent.**
- 16 **(G) The percentage of the political subdivision's families**
- 17 **with gross family income that is less than the federal**
- 18 **poverty level.**
- 19 **(H) The percentage of the political subdivision's students**
- 20 **receiving free or reduced price lunches under the national**
- 21 **school lunch program.**
- 22 **(2) If the proper officers of a political subdivision make a**
- 23 **preliminary determination to issue bonds or enter into a lease,**
- 24 **the officers shall give notice of the preliminary determination**
- 25 **by:**
- 26 **(A) publication in accordance with IC 5-3-1; and**
- 27 **(B) first class mail to the organizations described in**
- 28 **subdivision (1).**
- 29 **(3) A notice under subdivision (2) of the preliminary**
- 30 **determination of the political subdivision to issue bonds or**
- 31 **enter into a lease must include the following information:**
- 32 **(A) The maximum term of the bonds or lease.**
- 33 **(B) The maximum principal amount of the bonds or the**
- 34 **maximum lease rental for the lease.**
- 35 **(C) The estimated interest rates that will be paid and the**
- 36 **total interest costs associated with the bonds or lease.**
- 37 **(D) The purpose of the bonds or lease.**
- 38 **(E) A statement that the proposed debt service or lease**
- 39 **payments must be approved in an election on a local public**
- 40 **question held under section 3.6 of this chapter.**
- 41 **(F) With respect to bonds issued or a lease entered into to**
- 42 **open:**

- 1 **(i) a new school facility; or**
 2 **(ii) an existing facility that has not been used for at least**
 3 **three (3) years and that is being reopened to provide**
 4 **additional classroom space;**
 5 **the estimated costs the school corporation expects to**
 6 **annually incur to operate the facility.**
 7 **(G) The political subdivision's current debt service levy**
 8 **and rate and the estimated increase to the political**
 9 **subdivision's debt service levy and rate that will result if**
 10 **the political subdivision issues the bonds or enters into the**
 11 **lease.**
- 12 **(4) After notice is given, a petition requesting the application**
 13 **of the local public question process under section 3.6 of this**
 14 **chapter may be filed by the lesser of:**
- 15 **(A) one hundred (100) persons who are either owners of**
 16 **real property within the political subdivision or registered**
 17 **voters residing within the political subdivision; or**
 18 **(B) five percent (5%) of the registered voters residing**
 19 **within the political subdivision.**
- 20 **(5) The state board of accounts shall design and, upon request**
 21 **by the county voter registration office, deliver to the county**
 22 **voter registration office or the county voter registration**
 23 **office's designated printer the petition forms to be used solely**
 24 **in the petition process described in this section. The county**
 25 **voter registration office shall issue to an owner or owners of**
 26 **real property within the political subdivision or a registered**
 27 **voter residing within the political subdivision the number of**
 28 **petition forms requested by the owner or owners or the**
 29 **registered voter. Each form must be accompanied by**
 30 **instructions detailing the requirements that:**
- 31 **(A) the carrier and signers must be owners of real**
 32 **property or registered voters;**
 33 **(B) the carrier must be a signatory on at least one (1)**
 34 **petition;**
 35 **(C) after the signatures have been collected, the carrier**
 36 **must swear or affirm before a notary public that the**
 37 **carrier witnessed each signature; and**
 38 **(D) govern the closing date for the petition period.**
- 39 **Persons requesting forms may be required to identify**
 40 **themselves as owners of real property or registered voters and**
 41 **may be allowed to pick up additional copies to distribute to**
 42 **other property owners or registered voters. Each person**

1 signing a petition must indicate whether the person is signing
2 the petition as a registered voter within the political
3 subdivision or is signing the petition as the owner of real
4 property within the political subdivision. A person who signs
5 a petition as a registered voter must indicate the address at
6 which the person is registered to vote. A person who signs a
7 petition as a real property owner must indicate the address of
8 the real property owned by the person in the political
9 subdivision.

10 (6) Each petition must be verified under oath by at least one
11 (1) qualified petitioner in a manner prescribed by the state
12 board of accounts before the petition is filed with the county
13 voter registration office under subdivision (7).

14 (7) Each petition must be filed with the county voter
15 registration office not more than thirty (30) days after
16 publication under subdivision (2) of the notice of the
17 preliminary determination.

18 (8) The county voter registration office shall determine
19 whether each person who signed the petition is a registered
20 voter. The county voter registration office, not more than
21 fifteen (15) business days after receiving a petition, shall
22 forward a copy of the petition to the county auditor. Not more
23 than ten (10) business days after receiving the copy of the
24 petition, the county auditor shall provide to the county voter
25 registration office a statement verifying:

26 (A) whether a person who signed the petition as a
27 registered voter but is not a registered voter, as
28 determined by the county voter registration office, is the
29 owner of real property in the political subdivision; and

30 (B) whether a person who signed the petition as an owner
31 of real property within the political subdivision does in fact
32 own real property within the political subdivision.

33 (9) The county voter registration office, not more than ten
34 (10) business days after receiving the statement from the
35 county auditor under subdivision (8), shall make the final
36 determination of the number of petitioners who are registered
37 voters in the political subdivision and, based on the statement
38 provided by the county auditor, the number of petitioners
39 who own real property within the political subdivision.
40 Whenever the name of an individual who signs a petition form
41 as a registered voter contains a minor variation from the
42 name of the registered voter as set forth in the records of the

1 county voter registration office, the signature is presumed to
2 be valid, and there is a presumption that the individual is
3 entitled to sign the petition under this section. Except as
4 otherwise provided in this chapter, in determining whether an
5 individual is a registered voter, the county voter registration
6 office shall apply the requirements and procedures used
7 under IC 3 to determine whether a person is a registered
8 voter for purposes of voting in an election governed by IC 3.
9 However, an individual is not required to comply with the
10 provisions concerning providing proof of identification to be
11 considered a registered voter for purposes of this chapter. A
12 person is entitled to sign a petition only one (1) time in a
13 particular referendum process under this chapter, regardless
14 of whether the person owns more than one (1) parcel of real
15 property within the political subdivision and regardless of
16 whether the person is both a registered voter in the political
17 subdivision and the owner of real property within the political
18 subdivision. Notwithstanding any other provision of this
19 section, if a petition is presented to the county voter
20 registration office within thirty-five (35) days before an
21 election, the county voter registration office may defer acting
22 on the petition, and the time requirements under this section
23 for action by the county voter registration office do not begin
24 to run until five (5) days after the date of the election.

25 (10) The county voter registration office must file a certificate
26 and each petition with:

27 (A) the township trustee, if the political subdivision is a
28 township, who shall present the petition or petitions to the
29 township board; or

30 (B) the body that has the authority to authorize the
31 issuance of the bonds or the execution of a lease, if the
32 political subdivision is not a township;

33 within thirty-five (35) business days of the filing of the petition
34 requesting the referendum process. The certificate must state
35 the number of petitioners who are owners of real property
36 within the political subdivision and the number of petitioners
37 who are registered voters residing within the political
38 subdivision.

39 (11) If a sufficient petition requesting the local public question
40 process is not filed by owners of real property or registered
41 voters as set forth in this section, the political subdivision may
42 issue bonds or enter into a lease by following the provisions of

1 law relating to the bonds to be issued or lease to be entered
2 into.

3 (c) If the proper officers of a political subdivision make a
4 preliminary determination to issue bonds or enter into a lease, the
5 officers shall provide to the county auditor:

- 6 (1) a copy of the notice required by subsection (b)(2); and
7 (2) any other information the county auditor requires to fulfill
8 the county auditor's duties under section 3.6 of this chapter.

9 SECTION 188. IC 6-1.1-20-3.6 IS ADDED TO THE INDIANA
10 CODE AS A NEW SECTION TO READ AS FOLLOWS
11 [EFFECTIVE JULY 1, 2008]: **Sec. 3.6. (a) This section applies only**
12 **to a controlled project for which:**

- 13 (1) the proper officers of a political subdivision make a
14 preliminary determination after June 30, 2008, to issue bonds
15 or enter into a lease; and
16 (2) debt service or lease rentals for the bonds or lease are
17 payable in whole or in part from property taxes other than
18 taxes allocated for an allocation area under IC 6-1.1-39-5,
19 IC 8-22-3.5-9, IC 36-7-14-39, IC 36-7-14.5-12.5,
20 IC 36-7-15.1-26, IC 36-7-15.1-53, IC 36-7-30-25,
21 IC 36-7-30.5-30, or IC 36-7-32-17.

22 (b) If a sufficient petition requesting the application of the local
23 public question process has been filed as set forth in section 3.5 of
24 this chapter, a political subdivision may not impose property taxes
25 to pay debt service or lease rentals unless the political subdivision's
26 proposed debt service or lease rental is approved in an election on
27 a local public question held under this section.

28 (c) The following question shall be submitted to the voters at the
29 election conducted under this section:

30 "Shall _____ (insert the name of the political subdivision)
31 issue bonds or enter into a lease to finance _____
32 (insert the description of the controlled project)?".

33 (d) The county auditor shall certify the public question
34 described in subsection (c) under IC 3-10-9-3 to the county election
35 board of each county in which the political subdivision is located.
36 After the public question is certified, the public question shall be
37 placed on the ballot at the next primary or general election in
38 which all voters of the political subdivision are entitled to vote.
39 However, if a primary or general election will not be held in the six
40 (6) month period after the county auditor certifies the public
41 question, public question shall be placed on the ballot at a special
42 election to be held:

1 **(1) not earlier than ninety (90) days; and**
 2 **(2) not later than one hundred twenty (120) days;**
 3 **after the public question is certified if the fiscal body of the**
 4 **political subdivision that wishes to issue the bonds or enter into the**
 5 **lease requests the public question to be voted on in a special**
 6 **election. However, in a year in which a general election or**
 7 **municipal election is held, the public question may be placed on the**
 8 **ballot at a special election only if the fiscal body of the political**
 9 **subdivision that requests the special election agrees to pay the costs**
 10 **of holding the special election. In a year in which a general election**
 11 **is not held and a municipal election is not held, the fiscal body of**
 12 **the political subdivision that requests the special election is not**
 13 **required to pay the costs of holding the special election. The county**
 14 **election board shall give notice under IC 5-3-1 of a special election**
 15 **conducted under this subsection. A special election conducted**
 16 **under this subsection is under the direction of the county election**
 17 **board. The county election board shall take all steps necessary to**
 18 **carry out the special election.**

19 **(e) The circuit court clerk shall certify the results of the public**
 20 **question to the following:**

21 **(1) The county auditor of each county in which the political**
 22 **subdivision is located.**

23 **(2) The department of local government finance.**

24 **(f) Subject to the requirements of IC 6-1.1-18.5-8, the political**
 25 **subdivision may issue the proposed bonds or enter into the**
 26 **proposed lease rental if a majority of the voters voting on the**
 27 **public question vote in favor of the public question.**

28 **(g) If a majority of the voters voting on the public question vote**
 29 **in opposition to the public question, both of the following apply:**

30 **(1) The political subdivision may not issue the proposed bonds**
 31 **or enter into the proposed lease rental.**

32 **(2) Another public question under this section on the same or**
 33 **a substantially similar project may not be submitted to the**
 34 **voters earlier than one (1) year after the date of the election.**

35 **(h) IC 3, to the extent not inconsistent with this section, applies**
 36 **to an election held under this section.**

37 **(i) A political subdivision may not artificially divide a capital**
 38 **project into multiple capital projects in order to avoid the**
 39 **requirements of this section and section 3.5 of this chapter.**

40 SECTION 189. IC 6-1.1-20-5, AS AMENDED BY P.L.224-2007,
 41 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JANUARY 1, 2009]: Sec. 5. (a) When the proper officers of a political

1 subdivision decide to issue bonds in a total amount which exceeds five
2 thousand dollars (\$5,000), they shall give notice of the decision by:

- 3 (1) posting; and
4 (2) publication once each week for two (2) weeks.

5 The notice required by this section shall be posted in three (3) public
6 places in the political subdivision and published in accordance with
7 IC 5-3-1-4. The decision to issue bonds may be a preliminary decision.

8 (b) This subsection does not apply to bonds issued for a controlled
9 project approved after December 31, 2008, by a county board of tax
10 and capital projects review under IC 6-1.1-29.5. Ten (10) or lease
11 rental agreements for which a political subdivision must complete
12 the procedures in section 3.1 or 3.5 of this chapter. One hundred
13 (100) or more taxpayers who will be affected by the proposed issuance
14 of the bonds or the proposed lease rental agreement (including
15 bonds or lease rental agreements that are not payable from
16 property taxes) and who wish to object to the issuance on the grounds
17 that it is unnecessary or excessive may file a petition in the office of the
18 auditor with the fiscal body of the county in which the political
19 subdivision is located. In the case of a political subdivision located
20 in more than one (1) county, the political subdivision shall file the
21 appeal with the fiscal body of the county in which the greatest part
22 of the political subdivision's net assessed valuation is located. The
23 petition must be filed within fifteen (15) days after the notice required
24 by subsection (a) is given, and it must contain the objections of the
25 taxpayers and facts which show that the proposed issue is unnecessary
26 or excessive. When taxpayers file a petition in the manner prescribed
27 in this subsection, the county auditor shall immediately forward a
28 certified copy of the petition and any other relevant information to the
29 department of local government finance.

30 SECTION 190. IC 6-1.1-20-6 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 6. (a) This
32 section does not apply to bonds or lease rental agreements for
33 which a political subdivision must complete the procedures in
34 section 3.1 or 3.5 of this chapter.

35 (a) (b) Upon receipt of a certified petition filed in the manner
36 prescribed in section 5(b) of this chapter, the department of local
37 government finance county fiscal body shall fix a time and place for
38 a hearing on the matter. The department of local government finance
39 county fiscal body shall hold the hearing not less than five (5) or more
40 than thirty (30) days after the department county fiscal body receives
41 the petition, and the department county fiscal body shall hold the
42 hearing in the political subdivision or in the county where the political

1 subdivision is located. At least five (5) days before the date fixed for
 2 the hearing, the ~~department of local government finance~~ **county fiscal**
 3 **body** shall give notice of the hearing, by mail, to the executive officer
 4 of the political subdivision and to the first ten (10) taxpayers who
 5 signed the petition. The mailings shall be addressed to the officer and
 6 the taxpayers at their usual place of residence.

7 ~~(b)~~ **(c)** After the hearing required by this section, the ~~department of~~
 8 ~~local government finance~~ **county fiscal body** may approve, disapprove,
 9 or reduce the amount of the proposed issue **or lease rental agreement**.
 10 The ~~department of local government finance~~ **county fiscal body** must
 11 render a decision not later than three (3) months after the hearing, and
 12 if no decision is rendered within that time, the issue **or lease rental**
 13 **agreement** is considered approved unless the ~~department~~ **county fiscal**
 14 **body** takes the extension provided for in this section. A three (3) month
 15 extension of the time period during which the decision must be
 16 rendered may be taken by the ~~department of local government finance~~
 17 **county fiscal body** if the ~~department~~ **county fiscal body** by mail gives
 18 notice of the extension to the executive officer of the political
 19 subdivision and to the first ten (10) taxpayers who signed the petition,
 20 at least ten (10) days before the end of the original three (3) month
 21 period. If no decision is rendered within the extension period, the issue
 22 is considered approved.

23 ~~(c)~~ **(d)** A

24 ~~(1)~~ taxpayer who signed a petition referred to in subsection ~~(a)~~; or

25 **(b)**

26 ~~(2)~~ ~~political subdivision against which a petition referred to in~~
 27 ~~subsection (a) is filed;~~

28 may petition for judicial review of the final determination of the
 29 ~~department of local government finance~~ **county fiscal body** under
 30 subsection ~~(b)~~ **(c)**. The petition must be filed in the tax court not more
 31 than forty-five (45) days after the ~~department~~ **county fiscal body**
 32 renders its decision under subsection ~~(b)~~ **(c)**.

33 **(e) If a county fiscal body disapproves or modifies a bond issue**
 34 **or a lease rental agreement (including bonds or lease rental**
 35 **agreements that are not payable from property taxes) under this**
 36 **section, the fiscal body of the political subdivision that proposed**
 37 **the bond issue or lease rental agreement may petition the county**
 38 **election board of each county in which the political subdivision is**
 39 **located to have the bond issue or lease rental agreement as**
 40 **proposed by the political subdivision or as modified by the political**
 41 **subdivision placed on the ballot in a local public question under**
 42 **section 3.6 of this chapter. If the political subdivision submits a**

1 petition to the county election board under this subsection, the
 2 local public question shall be placed on the ballot as provided in
 3 section 3.6 of this chapter. If the proposed bond issue or lease
 4 rental agreement is approved in a local public question under
 5 section 3.6 of this chapter, the political subdivision may issue the
 6 bonds or enter into the lease rental agreement as proposed or
 7 modified by the political subdivision, notwithstanding the
 8 disapproval or modification by the county fiscal body under this
 9 section.

10 SECTION 191. IC 6-1.1-20-7, AS AMENDED BY P.L.224-2007,
 11 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 UPON PASSAGE]: Sec. 7. (a) This section does not apply to bonds,
 13 notes, or warrants issued for a controlled project approved after
 14 December 31, 2008, by a county board of tax and capital projects
 15 review under ~~IC 6-1.1-29.5~~: **for which the preliminary determination
 16 to issue the bonds, notes, or warrants is made by a political
 17 subdivision after December 31, 2008.**

18 (b) When the proper officers of a political subdivision decide to
 19 issue any bonds, notes, or warrants which will be payable from
 20 property taxes and which will bear interest in excess of eight percent
 21 (8%) per annum, the political subdivision shall submit the matter to the
 22 department of local government finance for review. The department of
 23 local government finance may either approve or disapprove the rate of
 24 interest.

25 SECTION 192. IC 6-1.1-20-7.5 IS ADDED TO THE INDIANA
 26 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 27 [EFFECTIVE UPON PASSAGE]: **Sec. 7.5. Notwithstanding any
 28 other provision, review by the department of local government
 29 finance and approval by the department of local government
 30 finance are not required before a political subdivision may issue or
 31 enter into bonds, a lease, or any other obligation if the political
 32 subdivision's preliminary determination to issue or enter into the
 33 bonds, lease, or other obligation is made after December 31, 2008.**

34 SECTION 193. IC 6-1.1-20-9, AS AMENDED BY P.L.224-2007,
 35 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JANUARY 1, 2009]: Sec. 9. (a) When the proper officers of a political
 37 subdivision decide to issue bonds payable from property taxes to
 38 finance a public improvement **or enter into a lease rental agreement
 39 payable from property taxes to finance a public improvement**, they
 40 shall adopt an ordinance or resolution which sets forth their
 41 determination to issue the bonds **or enter into the lease rental
 42 agreement**. Except as provided in subsection (b), the political

1 subdivision may not advertise for or receive bids for the construction
 2 of the improvement until the expiration of: ~~the latter of:~~

3 (1) the time period within which taxpayers may file a petition:

4 (A) for review of or a remonstrance against the proposed issue
 5 **or lease, in the case of a proposed issue or lease that is**
 6 **subject to section 3.1 of this chapter; or**

7 (B) **to initiate the local public question process, in the case**
 8 **of a proposed issue or lease that is subject to section 3.5 of**
 9 **this chapter; or**

10 (2) the time period during which a petition for review of the
 11 proposed issue **or lease** is pending before the ~~department of local~~
 12 ~~government finance (before January 1, 2009) or the county board~~
 13 ~~of tax and capital projects review (after December 31, 2008):~~
 14 **county fiscal body (in the case of bonds or a lease rental**
 15 **agreement subject to approval by a county fiscal body under**
 16 **section 6 of this chapter).**

17 (b) ~~This subsection applies before January 1, 2009: does not apply~~
 18 ~~to bonds or lease rental agreements for which a political~~
 19 ~~subdivision must complete the procedures in section 3.5 of this~~
 20 ~~chapter and for which a petition may be filed under section 3.5 of~~
 21 ~~this chapter to require a local public question under this chapter~~
 22 ~~on the issuance of the bonds or the entering into of the lease rental~~
 23 ~~agreement. When a petition for review of a proposed issue or lease is~~
 24 ~~pending before the department of local government finance; county~~
 25 ~~fiscal body, the department county fiscal body may order the political~~
 26 ~~subdivision to advertise for and receive bids for the construction of the~~
 27 ~~public improvement. When the department of local government finance~~
 28 ~~county fiscal body issues such an order, the political subdivision shall~~
 29 ~~file a bid report with the department county fiscal body within five (5)~~
 30 ~~days after the bids are received, and the department county fiscal body~~
 31 ~~shall render a final decision on the proposed issue or lease within~~
 32 ~~fifteen (15) days after it receives the bid report. Notwithstanding the~~
 33 ~~provisions of this subsection, a political subdivision may not enter into~~
 34 ~~a contract for the construction of a public improvement while a petition~~
 35 ~~for review of the bond issue or lease which is to finance the~~
 36 ~~improvement is pending before the department of local government~~
 37 ~~finance; county fiscal body.~~

38 (c) ~~This subsection applies after December 31, 2008: When a~~
 39 ~~petition for review of a proposed issue is pending before the county~~
 40 ~~board of tax and capital projects review; the board may order the~~
 41 ~~political subdivision to advertise for and receive bids for the~~
 42 ~~construction of the public improvement. When the county board of tax~~

1 and capital projects review issues such an order, the political
 2 subdivision shall file a bid report with the board within five (5) days
 3 after the bids are received, and the board shall render a final decision
 4 on the proposed issue within fifteen (15) days after it receives the bid
 5 report. Notwithstanding the provisions of this subsection, a political
 6 subdivision may not enter into a contract for the construction of a
 7 public improvement while a petition for review of the bond issue that
 8 is to finance the improvement is pending before the county board of tax
 9 and capital projects review:

10 SECTION 194. IC 6-1.1-20-10, AS AMENDED BY P.L.162-2006,
 11 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2008]: Sec. 10. (a) This section applies to a political
 13 subdivision that adopts an ordinance or a resolution making a
 14 preliminary determination to issue bonds or enter into a lease. During
 15 the period commencing with the adoption of the ordinance or
 16 resolution and, if a petition and remonstrance process is commenced
 17 under section 3.2 of this chapter, continuing through the sixty (60) day
 18 period commencing with the notice under section ~~3.2(1)~~ **3.2(b)(1)** of
 19 this chapter, the political subdivision seeking to issue bonds or enter
 20 into a lease for the proposed controlled project may not promote a
 21 position on the petition or remonstrance by doing any of the following:

22 (1) Allowing facilities or equipment, including mail and
 23 messaging systems, owned by the political subdivision to be used
 24 for public relations purposes to promote a position on the petition
 25 or remonstrance, unless equal access to the facilities or equipment
 26 is given to persons with a position opposite to that of the political
 27 subdivision.

28 (2) Making an expenditure of money from a fund controlled by
 29 the political subdivision to promote a position on the petition or
 30 remonstrance or to pay for the gathering of signatures on a
 31 petition or remonstrance. This subdivision does not prohibit a
 32 political subdivision from making an expenditure of money to an
 33 attorney, an architect, a construction manager, or a financial
 34 adviser for professional services provided with respect to a
 35 controlled project.

36 (3) Using an employee to promote a position on the petition or
 37 remonstrance during the employee's normal working hours or paid
 38 overtime, or otherwise compelling an employee to promote a
 39 position on the petition or remonstrance at any time.

40 (4) In the case of a school corporation, promoting a position on a
 41 petition or remonstrance by:

42 (A) using students to transport written materials to their

- 1 residences or in any way directly involving students in a
 2 school organized promotion of a position; or
 3 (B) including a statement within another communication sent
 4 to the students' residences.

5 However, this section does not prohibit an employee of the political
 6 subdivision from carrying out duties with respect to a petition or
 7 remonstrance that are part of the normal and regular conduct of the
 8 employee's office or agency.

9 (b) A person may not solicit or collect signatures for a petition or
 10 remonstrance on property owned or controlled by the political
 11 subdivision.

12 (c) The staff and employees of a school corporation may not
 13 personally identify a student as the child of a parent or guardian who
 14 supports or opposes a petition or remonstrance.

15 (d) A person or an organization that has a contract or arrangement
 16 (whether formal or informal) with a school corporation for the use of
 17 any of the school corporation's facilities may not spend any money to
 18 promote a position on the petition or remonstrance. A person or an
 19 organization that violates this subsection commits a Class A infraction.

20 (e) An attorney, an architect, a construction manager, or a financial
 21 adviser for professional services provided with respect to a controlled
 22 project may not spend any money to promote a position on the petition
 23 or remonstrance. A person who violates this subsection:

- 24 (1) commits a Class A infraction; and
 25 (2) is barred from performing any services with respect to the
 26 controlled project.

27 SECTION 195. IC 6-1.1-20-10.1 IS ADDED TO THE INDIANA
 28 CODE AS A NEW SECTION TO READ AS FOLLOWS
 29 [EFFECTIVE JULY 1, 2008]: **Sec. 10.1. (a) This section applies only
 30 to a political subdivision that, after June 30, 2008, adopts an
 31 ordinance or a resolution making a preliminary determination to
 32 issue bonds or enter into a lease subject to sections 3.5 and 3.6 of
 33 this chapter.**

34 **(b) During the period beginning with the adoption of the
 35 ordinance or resolution and continuing through the day on which
 36 a local public question is submitted to the voters of the political
 37 subdivision under section 3.6 of this chapter, the political
 38 subdivision seeking to issue bonds or enter into a lease for the
 39 proposed controlled project may not promote a position on the
 40 local public question by doing any of the following:**

- 41 **(1) Allowing facilities or equipment, including mail and
 42 messaging systems, owned by the political subdivision to be**

1 **used for public relations purposes to promote a position on**
2 **the local public question, unless equal access to the facilities**
3 **or equipment is given to persons with a position opposite to**
4 **that of the political subdivision.**

5 **(2) Making an expenditure of money from a fund controlled**
6 **by the political subdivision to promote a position on the local**
7 **public question. This subdivision does not prohibit a political**
8 **subdivision from making an expenditure of money to an**
9 **attorney, an architect, a construction manager, or a financial**
10 **adviser for professional services provided with respect to a**
11 **controlled project.**

12 **(3) Using an employee to promote a position on the local**
13 **public question during the employee's normal working hours**
14 **or paid overtime, or otherwise compelling an employee to**
15 **promote a position on the local public question at any time.**

16 **(4) In the case of a school corporation, promoting a position**
17 **on a local public question by:**

18 **(A) using students to transport written materials to their**
19 **residences or in any way directly involving students in a**
20 **school organized promotion of a position; or**

21 **(B) including a statement within another communication**
22 **sent to the students' residences.**

23 **However, this section does not prohibit an employee of the political**
24 **subdivision from carrying out duties with respect to a local public**
25 **question that are part of the normal and regular conduct of the**
26 **employee's office or agency.**

27 **(c) The staff and employees of a school corporation may not**
28 **personally identify a student as the child of a parent or guardian**
29 **who supports or opposes a controlled project subject to a local**
30 **public question held under section 3.6 of this chapter.**

31 **(d) A person or an organization that has a contract or**
32 **arrangement (whether formal or informal) with a school**
33 **corporation for the use of any of the school corporation's facilities**
34 **may not spend any money to promote a position on a local public**
35 **question. A person or an organization that violates this subsection**
36 **commits a Class A infraction.**

37 **(e) An attorney, an architect, a construction manager, or a**
38 **financial adviser for professional services provided with respect to**
39 **a controlled project may not spend any money to promote a**
40 **position on a local public question. A person who violates this**
41 **subsection:**

42 **(1) commits a Class A infraction; and**

1 **(2) is barred from performing any services with respect to the**
 2 **controlled project.**

3 SECTION 196. IC 6-1.1-20.3-1, AS ADDED BY P.L.224-2007,
 4 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 UPON PASSAGE]: Sec. 1. As used in this chapter, "**circuit breaker**
 6 "board" refers to the ~~circuit breaker relief distressed unit~~ appeal board
 7 established by section 4 of this chapter.

8 SECTION 197. IC 6-1.1-20.3-2, AS ADDED BY P.L.224-2007,
 9 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 UPON PASSAGE]: Sec. 2. As used in this chapter, "distressed political
 11 subdivision" means a political subdivision that will have the political
 12 subdivision's **budgets that are funded with** property tax collections
 13 reduced by at least ~~two~~ **five** percent (~~2%~~) (**5%**) in a calendar year as a
 14 result of the application of the credit under IC 6-1.1-20.6 for that
 15 calendar year.

16 SECTION 198. IC 6-1.1-20.3-4, AS ADDED BY P.L.224-2007,
 17 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 UPON PASSAGE]: Sec. 4. (a) The ~~circuit breaker relief distressed~~
 19 **unit** appeal board is established.

20 (b) The ~~circuit breaker relief distressed unit~~ appeal board consists
 21 of the following members:

22 (1) The director of the office of management and budget or the
 23 director's designee. The director or the director's designee shall
 24 serve as chairperson of the ~~circuit breaker relief distressed unit~~
 25 appeal board.

26 (2) The commissioner of the department of local government
 27 finance or the commissioner's designee.

28 (3) The commissioner of the department of state revenue or the
 29 commissioner's designee.

30 (4) The state examiner of the state board of accounts or the state
 31 examiner's designee.

32 (5) The following members appointed by the governor:

33 (A) One (1) member appointed from nominees submitted by
 34 the Indiana Association of Cities and Towns.

35 (B) One (1) member appointed from nominees submitted by
 36 the Association of Indiana Counties.

37 (C) One (1) member appointed from nominees submitted by
 38 the Indiana Association of School Superintendents.

39 A member nominated and appointed under this subdivision must
 40 be an elected official of a political subdivision.

41 (c) The members appointed under subsection (b)(5) serve at the
 42 pleasure of the governor.

1 (d) Each member of the commission is entitled to reimbursement
2 for:

- 3 (1) traveling expenses as provided under IC 4-13-1-4; and
4 (2) other expenses actually incurred in connection with the
5 member's duties as provided in the state policies and procedures
6 established by the Indiana department of administration and
7 approved by the budget agency.

8 SECTION 199. IC 6-1.1-20.3-5, AS ADDED BY P.L.224-2007,
9 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 UPON PASSAGE]: Sec. 5. (a) The department of local government
11 finance shall provide the ~~circuit breaker~~ board with the staff and
12 assistance that the ~~circuit breaker~~ board reasonably requires.

13 (b) The department of local government finance shall provide from
14 the department's budget funding to support the ~~circuit breaker~~ board's
15 duties under this chapter.

16 (c) The ~~circuit breaker~~ board may contract with accountants,
17 financial experts, and other advisors and consultants as necessary to
18 carry out the ~~circuit breaker~~ board's duties under this chapter.

19 SECTION 200. IC 6-1.1-20.3-6, AS ADDED BY P.L.224-2007,
20 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 UPON PASSAGE]: Sec. 6. (a) For property taxes first due and payable
22 in 2008 and thereafter, the fiscal body of a ~~county containing a~~
23 distressed political subdivision (or the fiscal bodies of two (2) or more
24 distressed political subdivisions acting jointly) may petition the ~~circuit~~
25 ~~breaker~~ board for relief as authorized under this chapter from the
26 application of the credit under IC 6-1.1-20.6 for a calendar year.

27 (b) A petition under subsection (a) must include a proposed
28 financial plan for political subdivisions in the county. The proposed
29 financial plan must include the following:

30 (1) Proposed budgets that would enable the distressed political
31 subdivisions in the county to cease being distressed political
32 subdivisions.

33 (2) Proposed efficiencies, consolidations, cost reductions, uses of
34 alternative or additional revenues, or other actions that would
35 enable the distressed political subdivisions in the county to cease
36 being distressed political subdivisions.

37 (c) The ~~circuit breaker~~ board may adopt procedures governing the
38 timing and required content of a petition under subsection (a).

39 SECTION 201. IC 6-1.1-20.3-7, AS ADDED BY P.L.224-2007,
40 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
41 UPON PASSAGE]: Sec. 7. (a) If the fiscal body of a **county distressed**
42 **political subdivision** (or the fiscal bodies of two (2) or more distressed

1 political subdivisions acting jointly) submits a petition under section 6
 2 of this chapter, the ~~circuit breaker~~ board shall review the petition and
 3 assist in establishing a financial plan for political subdivisions in the
 4 county.

5 (b) In reviewing a petition submitted under section 6 of this chapter,
 6 the ~~circuit breaker~~ board:

7 (1) shall consider:

8 (A) the proposed financial plan;

9 (B) comparisons to similarly situated political subdivisions;

10 (C) the existing revenue and expenditures of political
 11 subdivisions in the county; and

12 (D) any other factor considered relevant by the ~~circuit breaker~~
 13 board; and

14 (2) may establish subcommittees or temporarily appoint
 15 nonvoting members to the ~~circuit breaker~~ board to assist in the
 16 review.

17 SECTION 202. IC 6-1.1-20.3-8, AS ADDED BY P.L.224-2007,
 18 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 UPON PASSAGE]: Sec. 8. (a) The ~~circuit breaker~~ board may authorize
 20 relief as provided in subsection (b) from the application of the credit
 21 under IC 6-1.1-20.6 for a calendar year if the governing body of each
 22 political subdivision in the county **that is affected by the financial**
 23 **plan** has adopted a resolution agreeing to the terms of the financial
 24 plan.

25 (b) If the conditions of subsection (a) are satisfied, the ~~circuit~~
 26 ~~breaker~~ board may, notwithstanding IC 6-1.1-20.6, do either of the
 27 following:

28 (1) Increase uniformly in the county the percentage threshold
 29 (specified as a percentage of gross assessed value) at which the
 30 credit under IC 6-1.1-20.6 applies to a person's property tax
 31 liability.

32 (2) Provide for a uniform percentage reduction to credits
 33 otherwise provided under IC 6-1.1-20.6 in the county.

34 (c) If the ~~circuit breaker~~ board provides relief described in
 35 subsection (b) in a county, the ~~circuit breaker~~ board shall conduct
 36 audits and reviews as necessary to determine whether the political
 37 subdivisions in the county are abiding by the terms of the financial plan
 38 agreed to under subsection (a).

39 SECTION 203. IC 6-1.1-20.4-4, AS ADDED BY P.L.246-2005,
 40 SECTION 61, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JANUARY 1, 2009]: Sec. 4. (a) A political subdivision may adopt an
 42 ordinance or resolution each year to provide for the use of revenue for

1 the purpose of providing a homestead credit the following year to
 2 homesteads. An ordinance must be adopted under this section before
 3 December 31 for credits to be provided in the following year. The
 4 ordinance applies only to the immediately following year.

5 (b) A homestead credit under this chapter is to be applied to the net
 6 property tax liability due on the homestead.

7 ~~(c) A homestead credit under this chapter does not reduce the basis~~
 8 ~~for determining the state property tax replacement credit under~~
 9 ~~IC 6-1.1-21 or the state homestead credit under IC 6-1.1-20.9.~~

10 SECTION 204. IC 6-1.1-20.6-0.5 IS ADDED TO THE INDIANA
 11 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 12 [EFFECTIVE JANUARY 1, 2009]: **Sec. 0.5. As used in this chapter,**
 13 **"agricultural land" refers to land assessed as agricultural land**
 14 **under the real property assessment rules and guidelines of the**
 15 **department of local government finance.**

16 SECTION 205. IC 6-1.1-20.6-1.6 IS ADDED TO THE INDIANA
 17 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 18 [EFFECTIVE JANUARY 1, 2009]: **Sec. 1.6. As used in this chapter,**
 19 **"gross assessed value" refers to the assessed value of property**
 20 **after the application of all exemptions under IC 6-1.1-10 or any**
 21 **other provision.**

22 SECTION 206. IC 6-1.1-20.6-2, AS ADDED BY P.L.246-2005,
 23 SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JANUARY 1, 2009]: **Sec. 2. (a)** As used in this chapter, "homestead"
 25 has the meaning set forth in ~~IC 6-1.1-20.9-1.~~ **IC 6-1.1-12-37.**

26 **(b) The term includes a house or apartment that is owned or**
 27 **leased by a cooperative housing corporation (as defined in 26**
 28 **U.S.C. 216(b)).**

29 SECTION 207. IC 6-1.1-20.6-2.3 IS ADDED TO THE INDIANA
 30 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 31 [EFFECTIVE JANUARY 1, 2009]: **Sec. 2.3. As used in this chapter,**
 32 **"long term care property" means property that:**

33 **(1) is used for the long term care of an impaired individual;**
 34 **and**

35 **(2) is one (1) of the following:**

36 **(A) A health facility licensed under IC 16-28.**

37 **(B) A housing with services establishment (as defined in**
 38 **IC 12-10-15-3) that is allowed to use the term "assisted**
 39 **living" to describe the housing with services**
 40 **establishment's services and operations to the public.**

41 **(C) An independent living home that, under contractual**
 42 **agreement, serves not more than six (6) individuals who:**

- 1 (i) have a mental illness or developmental disability;
- 2 (ii) require regular but limited supervision; and
- 3 (iii) reside independently of their families.

4 SECTION 208. IC 6-1.1-20.6-2.5 IS ADDED TO THE INDIANA
 5 CODE AS A NEW SECTION TO READ AS FOLLOWS
 6 [EFFECTIVE JANUARY 1, 2009]: **Sec. 2.5. (a) As used in this**
 7 **chapter, "nonresidential real property" refers to either of the**
 8 **following:**

- 9 (1) Real property that:
 - 10 (A) is not:
 - 11 (i) a homestead; or
 - 12 (ii) residential property; and
 - 13 (B) consists of:
 - 14 (i) a building or other land improvement; and
 - 15 (ii) the land, not exceeding the area of the building
 - 16 footprint or improvement footprint, on which the
 - 17 building or improvement is located.
- 18 (2) Undeveloped land in the amount of the remainder of:
 - 19 (A) the area of a parcel; minus
 - 20 (B) the area of the parcel that is part of:
 - 21 (i) a homestead; or
 - 22 (ii) residential property.
- 23 (b) The term does not include agricultural land.

24 SECTION 209. IC 6-1.1-20.6-4, AS AMENDED BY P.L.162-2006,
 25 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JANUARY 1, 2009]: **Sec. 4. As used in this chapter, "qualified**
 27 **"residential property" refers to any of the following that a county fiscal**
 28 **body specifically makes eligible for a credit under this chapter in an**
 29 **ordinance adopted under section 6 of this chapter and to all the**
 30 **following for purposes of section 6.5 of this chapter:**

- 31 (1) An apartment complex.
 - 32 (2) A homestead.
 - 33 (3) Residential rental property.
- 34 **real property that consists of either of the following:**
- 35 (1) A single family dwelling that is not part of a homestead
 - 36 and the land, not exceeding one (1) acre, on which the
 - 37 dwelling is located.
 - 38 (2) Real property that consists of:
 - 39 (A) a building that includes two (2) or more dwelling units;
 - 40 (B) any common areas shared by the dwelling units; and
 - 41 (C) the land, not exceeding the area of the building
 - 42 footprint, on which the building is located.

1 SECTION 210. IC 6-1.1-20.6-7, AS AMENDED BY P.L.224-2007,
 2 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JANUARY 1, 2009]: Sec. 7. (a) In the case of a credit authorized under
 4 section 6 of this chapter or provided by section 6.5(a) or 6.5(b) of this
 5 chapter for property taxes first due and payable in a calendar year:

6 (1) a person is entitled to a credit against the person's property tax
 7 liability for property taxes first due and payable in that calendar
 8 year attributable to

9 (A) the person's qualified residential property located in the
 10 county; in the case of a calendar year before 2008; or

11 (B) the person's homestead: (as defined in IC 6-1.1-20.9-1)
 12 property located in the county; in the case of a calendar year
 13 after 2007 and before 2010; and

14 (2) the amount of the credit is the amount by which the person's
 15 property tax liability attributable to

16 (A) the person's qualified residential property; in the case of a
 17 calendar year before 2008; or

18 (B) the person's homestead property; in the case of a calendar
 19 year after 2007 and before 2010;

20 for property taxes first due and payable in that calendar year exceeds
 21 two percent (2%) of the gross assessed value that is the basis for
 22 determination of property taxes on the qualified residential property (in
 23 the case of a calendar year before 2008) or the person's homestead
 24 property (in the case of a calendar year after 2007 and before 2010) for
 25 property taxes first due and payable in that calendar year; as adjusted
 26 under subsection (c). A person is entitled to a credit against the
 27 person's property tax liability for property taxes first due and
 28 payable in 2009. The amount of the credit is the amount by which
 29 the person's property tax liability attributable to the person's:

30 (1) homestead exceeds one and five-tenths percent (1.5%);

31 (2) residential property exceeds two and five-tenths percent
 32 (2.5%);

33 (3) long term care property exceeds two and five-tenths
 34 percent (2.5%);

35 (4) agricultural land exceeds two and five-tenths percent
 36 (2.5%);

37 (5) nonresidential real property exceeds three percent (3%);
 38 or

39 (6) personal property exceeds three percent (3%);

40 of the gross assessed value of the property that is the basis for
 41 determination of property taxes for that calendar year.

42 (b) In the case of a credit provided by section 6.5(c) of this chapter

1 for property taxes first due and payable in a calendar year:

2 (1) a person is entitled to a credit against the person's property tax
3 liability for property taxes first due and payable in that calendar
4 year attributable to the person's real property and personal
5 property located in the county; and

6 (2) the amount of the credit is equal to the following:

7 (A) In the case of property tax liability attributable to the
8 person's homestead property, the amount of the credit is the
9 amount by which the person's property tax liability attributable
10 to the person's homestead property for property taxes first due
11 and payable in that calendar year exceeds two percent (2%) of
12 the gross assessed value that is the basis for determination of
13 property taxes on the homestead property for property taxes
14 first due and payable in that calendar year, as adjusted under
15 subsection (c):

16 (B) In the case of property tax liability attributable to property
17 other than homestead property, the amount of the credit is the
18 amount by which the person's property tax liability attributable
19 to the person's real property (other than homestead property)
20 and personal property for property taxes first due and payable
21 in that calendar year exceeds three percent (3%) of the gross
22 assessed value that is the basis for determination of property
23 taxes on the real property (other than homestead property) and
24 personal property for property taxes first due and payable in
25 that calendar year, as adjusted under subsection (c):

26 (c) This subsection applies to property taxes first due and payable
27 after December 31, 2007. The amount of a credit to which a person is
28 entitled under subsection (a) or (b) in a county shall be adjusted as
29 determined in STEP FIVE of the following STEPS:

30 STEP ONE: Determine the total amount of the person's property
31 tax liability described in subsection (a)(1) or (b)(1) (as applicable)
32 that is for tuition support levy property taxes:

33 STEP TWO: Determine the total amount of the person's property
34 tax liability described in subsection (a)(1) or (b)(1) (as
35 applicable):

36 STEP THREE: Determine the result of:

37 (A) the STEP TWO amount, minus

38 (B) the STEP ONE amount.

39 STEP FOUR: Determine the result of:

40 (A) the STEP THREE amount, divided by

41 (B) the STEP TWO amount.

42 STEP FIVE: Multiply the credit to which the person is entitled

1 under subsection (a) or (b) by the STEP FOUR amount.
 2 Notwithstanding any other provision of this chapter, a school
 3 corporation's tuition support property tax levy collections may not be
 4 reduced because of a credit under this chapter.

5 **(b) Property taxes imposed after being approved by the voters**
 6 **in a referendum or local public question shall not be considered for**
 7 **purposes of calculating a person's credit under this section.**

8 SECTION 211. IC 6-1.1-20.6-7.5 IS ADDED TO THE INDIANA
 9 CODE AS A NEW SECTION TO READ AS FOLLOWS
 10 [EFFECTIVE JANUARY 1, 2009]: **Sec. 7.5. (a) A person is entitled**
 11 **to a credit against the person's property tax liability for property**
 12 **taxes first due and payable after 2009. The amount of the credit is**
 13 **the amount by which the person's property tax liability**
 14 **attributable to the person's:**

- 15 (1) homestead exceeds one percent (1%);
- 16 (2) residential property exceeds two percent (2%);
- 17 (3) long term care property exceeds two percent (2%);
- 18 (4) agricultural land exceeds two percent (2%);
- 19 (5) nonresidential real property exceeds three percent (3%);
- 20 or

21 (6) personal property exceeds three percent (3%);
 22 of the gross assessed value of the property that is the basis for
 23 determination of property taxes for that calendar year.

24 **(b) Property taxes imposed after being approved by the voters**
 25 **in a referendum or local public question shall not be considered for**
 26 **purposes of calculating a person's credit under this section.**

27 SECTION 212. IC 6-1.1-20.6-10 IS ADDED TO THE INDIANA
 28 CODE AS A NEW SECTION TO READ AS FOLLOWS
 29 [EFFECTIVE JULY 1, 2008]: **Sec. 10. (a) As used in this section,**
 30 **"debt service obligations of a political subdivision" refers to:**

- 31 (1) the principal and interest payable during a calendar year
- 32 on bonds; and
- 33 (2) lease rental payments payable during a calendar year on
- 34 leases;

35 of a political subdivision payable from ad valorem property taxes.

36 **(b) Political subdivisions are required by law to fully fund the**
 37 **payment of their debt obligations in an amount sufficient to pay**
 38 **any debt service or lease rentals on outstanding obligations,**
 39 **regardless of any reduction in property tax collections due to the**
 40 **application of tax credits granted under this chapter. Any**
 41 **reduction in collections must be applied to the other funds of the**
 42 **political subdivision after debt service or lease rentals have been**

1 fully funded.

2 (c) Upon the failure of a political subdivision to pay any of the
3 political subdivision's debt service obligations during a calendar
4 year when due, the treasurer of state, upon being notified of the
5 failure by a claimant, shall pay the unpaid debt service obligations
6 that are due from money in the possession of the state that would
7 otherwise be available for distribution to the political subdivision
8 under any other law, deducting the payment from the amount
9 distributed. A deduction under this subsection must be made:

- 10 (1) first from distributions of county adjusted gross income
11 tax distributions under IC 6-3.5-1.1, county option income tax
12 distributions under IC 6-3.5-6, or county economic
13 development income tax distributions under IC 6-3.5-7 that
14 would otherwise be distributed to the county under the
15 schedule in IC 6-3.5-1.1-10, IC 6-3.5-1.1-21.1, IC 6-3.5-6-16,
16 IC 6-3.5-6-17.3, IC 6-3.5-7-17, and IC 6-3.5-7-17.3; and
17 (2) second from any other undistributed funds of the political
18 subdivision in the possession of the state.

19 (d) This section shall be interpreted liberally so that the state
20 shall to the extent legally valid ensure that the debt service
21 obligations of each political subdivision are paid when due.
22 However, this section does not create a debt of the state.

23 SECTION 213. IC 6-1.1-20.6-11 IS ADDED TO THE INDIANA
24 CODE AS A NEW SECTION TO READ AS FOLLOWS
25 [EFFECTIVE JULY 1, 2008]: **Sec. 11. The county auditor of each
26 county shall certify to the department of local government finance:**

- 27 (1) the total amount of credits that are allowed under this
28 chapter in the county for the calendar year; and
29 (2) the amount that each taxing unit's distribution of property
30 taxes will be reduced under section 9.5 of this chapter as a
31 result of the granting of the credits.

32 **If the amount of credits granted changes after the date the
33 certification is made, the county auditor shall submit an amended
34 certification to the department of local government finance. The
35 initial certification and the amended certifications shall be
36 submitted to the department of local government finance on the
37 schedule prescribed by the department of local government
38 finance.**

39 SECTION 214. IC 6-1.1-20.6-12 IS ADDED TO THE INDIANA
40 CODE AS A NEW SECTION TO READ AS FOLLOWS
41 [EFFECTIVE JULY 1, 2008]: **Sec. 12. For purposes of computing
42 and distributing after 2008 any excise taxes or local option income**

1 **taxes for which the distribution is based on the amount of a taxing**
 2 **unit's property tax levy, the computation and distribution of the**
 3 **excise tax or local option income tax shall be based on the taxing**
 4 **unit's property tax levy as calculated before any reduction due to**
 5 **credits provided to taxpayers under this chapter.**

6 SECTION 215. IC 6-1.1-21-4, AS AMENDED BY P.L.234-2007,
 7 SECTION 297, AND AS AMENDED BY P.L.219-2007, SECTION
 8 62, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 9 [EFFECTIVE JULY 1, 2008]: Sec. 4. (a) Each year the department
 10 shall allocate from the property tax replacement fund an amount equal
 11 to the sum of:

12 (1) each county's total eligible property tax replacement amount
 13 for that year; plus

14 (2) the total amount of homestead tax credits that are provided
 15 under IC 6-1.1-20.9 and allowed by each county for that year;
 16 plus

17 (3) an amount for each county that has one (1) or more taxing
 18 districts that contain all or part of an economic development
 19 district that meets the requirements of section 5.5 of this chapter.

20 This amount is the sum of the amounts determined under the
 21 following STEPS for all taxing districts in the county that contain
 22 all or part of an economic development district:

23 STEP ONE: Determine that part of the sum of the amounts
 24 under section 2(g)(1)(A) and 2(g)(2) of this chapter that is
 25 attributable to the taxing district.

26 STEP TWO: Divide:

27 (A) that part of the subdivision (1) amount that is
 28 attributable to the taxing district; by

29 (B) the STEP ONE sum.

30 STEP THREE: Multiply:

31 (A) the STEP TWO quotient; times

32 (B) the taxes levied in the taxing district that are allocated to
 33 a special fund under IC 6-1.1-39-5.

34 (b) Except as provided in subsection (e), between March 1 and
 35 August 31 of each year, the department shall distribute to each county
 36 treasurer from the property tax replacement fund one-half (1/2) of the
 37 estimated distribution for that year for the county. Between September
 38 1 and December 15 of that year, the department shall distribute to each
 39 county treasurer from the property tax replacement fund the remaining
 40 one-half (1/2) of each estimated distribution for that year. The amount
 41 of the distribution for each of these periods shall be according to a
 42 schedule determined by the property tax replacement fund board under

1 section 10 of this chapter. The estimated distribution for each county
2 may be adjusted from time to time by the department to reflect any
3 changes in the total county tax levy upon which the estimated
4 distribution is based.

5 (c) On or before December 31 of each year or as soon thereafter as
6 possible, the department shall make a final determination of the amount
7 which should be distributed from the property tax replacement fund to
8 each county for that calendar year. This determination shall be known
9 as the final determination of distribution. The department shall
10 distribute to the county treasurer or, *except as provided in section 9 of*
11 *this chapter*, receive back from the county treasurer any deficit or
12 excess, as the case may be, between the sum of the distributions made
13 for that calendar year based on the estimated distribution and the final
14 determination of distribution. The final determination of distribution
15 shall be based on the auditor's abstract filed with the auditor of state,
16 adjusted for postabstract adjustments included in the December
17 settlement sheet for the year, and such additional information as the
18 department may require.

19 (d) All distributions provided for in this section shall be made on
20 warrants issued by the auditor of state drawn on the treasurer of state.
21 If the amounts allocated by the department from the property tax
22 replacement fund exceed in the aggregate the balance of money in the
23 fund, then the amount of the deficiency shall be transferred from the
24 state general fund to the property tax replacement fund, and the auditor
25 of state shall issue a warrant to the treasurer of state ordering the
26 payment of that amount. However, any amount transferred under this
27 section from the general fund to the property tax replacement fund
28 shall, as soon as funds are available in the property tax replacement
29 fund, be retransferred from the property tax replacement fund to the
30 state general fund, and the auditor of state shall issue a warrant to the
31 treasurer of state ordering the replacement of that amount.

32 (e) Except as provided in subsection (g) and subject to subsection
33 (h), the department shall not distribute under subsection (b) and section
34 10 of this chapter a percentage, determined by the department, of the
35 money that would otherwise be distributed to the county under
36 subsection (b) and section 10 of this chapter if:

37 (1) by the date the distribution is scheduled to be made, the
38 county auditor has not sent a certified statement required to be
39 sent by that date under IC 6-1.1-17-1 to the department of local
40 government finance;

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

- 1 (3) the county assessor has not forwarded to the department of
 2 local government finance the duplicate copies of all approved
 3 exemption applications required to be forwarded by that date
 4 under IC 6-1.1-11-8(a);
- 5 (4) the county ~~assessor~~ **auditor** has not forwarded to the
 6 department of local government finance in a timely manner sales
 7 disclosure ~~forms form data~~ under ~~IC 6-1.1-5.5-3(b);~~
 8 ~~IC 6-1.1-5.5-3(h);~~ **IC 6-1.1-5.5-3(c)**;
- 9 (5) local assessing officials have not provided information to the
 10 department of local government finance in a timely manner under
 11 IC 4-10-13-5(b);
- 12 (6) the county auditor has not paid a bill for services under
 13 IC 6-1.1-4-31.5 to the department of local government finance in
 14 a timely manner;
- 15 (7) the ~~elected~~ township assessors in the county (**if any**), the
 16 ~~elected~~ township assessors (**if any**) and the county assessor, or the
 17 county assessor has not transmitted to the department of local
 18 government finance by October 1 of the year in which the
 19 distribution is scheduled to be made the data for all townships in
 20 the county required to be transmitted under IC 6-1.1-4-25(b);
- 21 (8) the county has not established a parcel index numbering
 22 system under 50 IAC 12-15-1 in a timely manner; or
- 23 (9) a township or county official has not provided other
 24 information to the department of local government finance in a
 25 timely manner as required by the department.
- 26 (f) Except as provided in subsection (i), money not distributed for
 27 the reasons stated in subsection (e) shall be distributed to the county
 28 when the department of local government finance determines that the
 29 failure to:
- 30 (1) provide information; or
 31 (2) pay a bill for services;
 32 has been corrected.
- 33 (g) The restrictions on distributions under subsection (e) do not
 34 apply if the department of local government finance determines that the
 35 failure to:
- 36 (1) provide information; or
 37 (2) pay a bill for services;
 38 in a timely manner is justified by unusual circumstances.
- 39 (h) The department shall give the county auditor at least thirty (30)
 40 days notice in writing before withholding a distribution under
 41 subsection (e).
- 42 (i) Money not distributed for the reason stated in subsection (e)(6)

1 may be deposited in the fund established by IC 6-1.1-5.5-4.7(a). Money
 2 deposited under this subsection is not subject to distribution under
 3 subsection (f).

4 SECTION 216. IC 6-1.1-21.2-3 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. As used in this
 6 chapter, "allocation area" refers to an area that is established under the
 7 authority of any of the following statutes and in which tax increment
 8 revenues are collected:

- 9 **(1) IC 6-1.1-39.**
 10 ~~(2)~~ **(2) IC 8-22-3.5.**
 11 ~~(3)~~ **(3) IC 36-7-14.**
 12 ~~(4)~~ **(4) IC 36-7-14.5.**
 13 ~~(5)~~ **(5) IC 36-7-15.1.**
 14 ~~(6)~~ **(6) IC 36-7-30.**
 15 **(7) IC 36-7-30.5.**

16 SECTION 217. IC 6-1.1-21.2-4 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 4. As used in this
 18 chapter, "base assessed value" means the base assessed value as that
 19 term is defined or used in:

- 20 **(1) IC 6-1.1-39-5(h);**
 21 ~~(2)~~ **(2) IC 8-22-3.5-9(a);**
 22 **(3) IC 8-22-3.5-9.5;**
 23 ~~(4)~~ **(4) IC 36-7-14-39(a);**
 24 **(5) IC 36-7-14-39.2;**
 25 ~~(6)~~ **(6) IC 36-7-14-39.3(c);**
 26 **(7) IC 36-7-14-48;**
 27 ~~(8)~~ **(8) IC 36-7-14.5-12.5;**
 28 ~~(9)~~ **(9) IC 36-7-15.1-26(a);**
 29 ~~(10)~~ **(10) IC 36-7-15.1-26.2(c);**
 30 ~~(11)~~ **(11) IC 36-7-15.1-35(a);**
 31 **(12) IC 36-7-15.1-35.5;**
 32 ~~(13)~~ **(13) IC 36-7-15.1-53;**
 33 ~~(14)~~ **(14) IC 36-7-15.1-55(c);**
 34 ~~(15)~~ **(15) IC 36-7-30-25(a)(2); or**
 35 ~~(16)~~ **(16) IC 36-7-30-26(c);**
 36 **(17) IC 36-7-30.5-30; or**
 37 **(18) IC 36-7-30.5-31.**

38 SECTION 218. IC 6-1.1-21.2-5 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 5. As used in this
 40 chapter, "district" refers to **the following:**

- 41 **(1) An economic development district under IC 6-1.1-39.**
 42 ~~(2)~~ **(2) An eligible entity (as defined in IC 8-22-3.5-2.5).**

- 1 ~~(2)~~ **(3)** A redevelopment district, for an allocation area established
2 under:
- 3 (A) IC 36-7-14; or
4 (B) IC 36-7-15.1. ~~or~~
- 5 ~~(3)~~ **(4)** A special taxing district, as described in:
6 (A) IC 36-7-14.5-12.5(d); or
7 (B) IC 36-7-30-3(b).
- 8 **(5) A military base development area under IC 36-7-30.5-16.**
9 SECTION 219. IC 6-1.1-21.2-6 IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 6. As used in this
11 chapter, "governing body" means the following:
- 12 **(1) For an allocation area created under IC 6-1.1-39, the fiscal**
13 **body of the county (as defined in IC 36-1-2-6).**
14 ~~(1)~~ **(2)** For an allocation area created under IC 8-22-3.5, the
15 commission (as defined in IC 8-22-3.5-2).
16 ~~(2)~~ **(3)** For an allocation area created under IC 36-7-14, the
17 redevelopment commission.
18 ~~(3)~~ **(4)** For an allocation area created under IC 36-7-14.5, the
19 redevelopment authority.
20 ~~(4)~~ **(5)** For an allocation area created under IC 36-7-15.1, the
21 metropolitan development commission.
22 ~~(5)~~ **(6)** For an allocation area created under IC 36-7-30, the
23 military base reuse authority.
24 **(7) For an allocation area created under IC 36-7-30.5, the**
25 **military base development authority.**
- 26 SECTION 220. IC 6-1.1-21.2-6.6 IS ADDED TO THE INDIANA
27 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
28 [EFFECTIVE JANUARY 1, 2009]: **Sec. 6.6. As used in this chapter,**
29 **"obligation" means an obligation to repay:**
30 **(1) the principal and interest on bonds;**
31 **(2) lease rentals on leases; or**
32 **(3) any other contractual obligation;**
33 **payable from tax increment revenues. The term includes a**
34 **guarantee of repayment from tax increment revenues if other**
35 **revenues are insufficient to make a payment.**
- 36 SECTION 221. IC 6-1.1-21.2-7 IS AMENDED TO READ AS
37 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 7. As used in this
38 chapter, "property taxes" means:
39 (1) property taxes, as defined in:
40 **(A) IC 6-1.1-39-5(g);**
41 ~~(A)~~ **(B) IC 36-7-14-39(a);**
42 **(C) IC 36-7-14-39.2;**

- 1 ~~(B)~~ **(D)** IC 36-7-14-39.3(c);
 2 **(E) IC 36-7-14.5-12.5;**
 3 ~~(C)~~ **(F)** IC 36-7-15.1-26(a);
 4 ~~(D)~~ **(G)** IC 36-7-15.1-26.2(c);
 5 ~~(E)~~ **(H)** IC 36-7-15.1-53(a);
 6 ~~(F)~~ **(I)** IC 36-7-15.1-55(c);
 7 ~~(G)~~ **(J)** IC 36-7-30-25(a)(3); ~~or~~
 8 ~~(H)~~ **(K)** IC 36-7-30-26(c); ~~or~~
 9 **(L) IC 36-7-30.5-30; or**
 10 **(M) IC 36-7-30.5-31; or**

11 (2) for allocation areas created under IC 8-22-3.5, the taxes
 12 assessed on taxable tangible property in the allocation area.

13 SECTION 222. IC 6-1.1-21.2-8 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 8. As used in this
 15 chapter, "special fund" means:

- 16 **(1) the special funds referred to in IC 6-1.1-39-5;**
 17 ~~(1)~~ **(2)** the special funds referred to in IC 8-22-3.5-9(e);
 18 ~~(2)~~ **(3)** the allocation fund referred to in IC 36-7-14-39(b)(2);
 19 ~~(3)~~ **(4)** the allocation fund referred to in IC 36-7-14.5-12.5(d);
 20 ~~(4)~~ **(5)** the special fund referred to in IC 36-7-15.1-26(b)(2);
 21 ~~(5)~~ **(6)** the special fund referred to in IC 36-7-15.1-53(b)(2); ~~or~~
 22 ~~(6)~~ **(7)** the allocation fund referred to in IC 36-7-30-25(b)(2); ~~or~~
 23 **(8) the allocation fund referred to in IC 36-7-30.5-30(b)(2).**

24 SECTION 223. IC 6-1.1-21.2-11 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 11. (a) ~~Not later~~
 26 ~~than September 1~~ ~~of a year in which a general reassessment does not~~
 27 ~~become effective;~~ The governing body shall estimate the tax increment
 28 replacement amount for each allocation area under the jurisdiction of
 29 the governing body for the next calendar year ~~in a year in which a~~
 30 ~~general reassessment becomes effective;~~ the department of local
 31 government finance may extend the deadline under this subsection by
 32 giving written notice to the governing body before the deadline: **on the**
 33 **schedule prescribed by the department of local government**
 34 **finance.**

35 (b) The tax increment replacement amount is the **greater of zero (0)**
 36 **or the net amount determined in STEP THREE** of the following
 37 formula:

38 ~~STEP ONE:~~ The governing body shall estimate the amount of tax
 39 increment revenues it would receive in the next calendar year if
 40 the property tax replacement credits payable with respect to the
 41 general fund levies imposed by all school corporations with
 42 jurisdiction in the allocation area were determined under

1 IC 6-1.1-21 as in effect on January 1, 2001.

2 STEP TWO: The governing body shall estimate the amount of tax
3 increment revenues it will receive in the next calendar year after
4 implementation of the increase in the property tax credits payable
5 under IC 6-1.1-21, as amended by the general assembly in 2002,
6 with respect to general fund levies imposed by all school
7 corporations with jurisdiction in the allocation area.

8 STEP THREE: Subtract the STEP TWO amount from the STEP
9 ONE amount, by which:

- 10 (1) laws enacted by the general assembly; and
11 (2) actions taken by the department of local government
12 finance;

13 after the establishment of the allocation area have decreased the
14 tax increment revenues of the allocation area for the next calendar
15 year (after adjusting for any increases resulting from laws or
16 actions of the department of local government finance) below the
17 sum of the amount needed to make all payments that are due in the
18 next calendar year on obligations payable from tax increment
19 revenues and to maintain any tax increment revenue to obligation
20 payment ratio required by an agreement on which any of the
21 obligations are based.

22 SECTION 224. IC 6-1.1-21.2-12 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 12. (a) A tax is
24 imposed each year on all taxable property in the district in which the
25 governing body exercises jurisdiction. **This section applies if the tax
26 increment replacement amount for an allocation area in a district
27 is greater than zero (0).**

28 (b) Except as provided in subsections (c) and (d), the tax imposed
29 under this section shall be automatically imposed at a rate sufficient to
30 generate the tax increment replacement amount determined under
31 section 11(b) of this chapter for that year.

32 (b) A governing body may, after a public hearing, do the
33 following:

- 34 (1) Impose a special assessment on the owners of property
35 that is located in an allocation area to raise an amount not to
36 exceed the tax increment replacement amount.
37 (2) Impose a tax on all taxable property in the district in
38 which the governing body exercises jurisdiction to raise an
39 amount not to exceed the tax increment replacement amount.
40 (3) Reduce the base assessed value of property in the
41 allocation area to an amount that is sufficient to increase the
42 tax increment revenues in the allocation area by an amount

- 1 **that does not exceed the tax increment replacement amount.**
- 2 (c) **The governing body shall submit a proposed special**
- 3 **assessment or tax levy under this section to the legislative body of**
- 4 **the unit that established the district. The legislative body may:**
- 5 (1) reduce the amount of the **special assessment or tax** to be
- 6 levied under this section; **or**
- 7 (2) determine that no **special assessment or property tax** should
- 8 be levied under this section; **or**
- 9 (3) **increase the special assessment or tax to the amount**
- 10 **necessary to fully fund the tax increment replacement**
- 11 **amount.**
- 12 (d) This subsection applies to a district in which the total assessed
- 13 value of all allocation areas in the district is greater than ten percent
- 14 (~~10%~~) of the total assessed value of the district. Except as provided in
- 15 section ~~14~~(d) of this chapter, a tax levy imposed under this section may
- 16 not exceed the lesser of:
- 17 (1) the tax increment replacement amount; **or**
- 18 (2) the amount that will result from the imposition of a rate for the
- 19 tax levy that the department of local government finance
- 20 estimates will cause the total tax rate in the district to be one
- 21 hundred ten percent (~~110%~~) of the rate that would apply if the tax
- 22 levy authorized by this chapter were not imposed for the year.
- 23 (d) **Before a public hearing under subsection (b) may be held,**
- 24 **the governing body must publish notice of the hearing under**
- 25 **IC 5-3-1. The notice must also be sent to the fiscal officer of each**
- 26 **political subdivision that is located in any part of the district. The**
- 27 **notice must state that the governing body will meet to consider**
- 28 **whether a special assessment or tax should be imposed under this**
- 29 **chapter and whether the special assessment or tax will help the**
- 30 **governing body realize the redevelopment or economic**
- 31 **development objectives for the allocation area or honor its**
- 32 **obligations related to the allocation area. The notice must also**
- 33 **specify a date when the governing body will receive and hear**
- 34 **remonstrances and objections from persons affected by the special**
- 35 **assessment. All persons affected by the hearing, including all**
- 36 **taxpayers within the allocation area, shall be considered notified of**
- 37 **the pendency of the hearing and of subsequent acts, hearings, and**
- 38 **orders of the governing body by the notice. At the hearing, which**
- 39 **may be adjourned from time to time, the governing body shall hear**
- 40 **all persons affected by the proceedings and shall consider all**
- 41 **written remonstrances and objections that have been filed. The**
- 42 **only grounds for remonstrance or objection are that the special**

1 assessment or tax will not help the governing body realize the
 2 redevelopment or economic development objectives for the
 3 allocation area or honor its obligations related to the allocation
 4 area. After considering the evidence presented, the governing body
 5 shall take final action concerning the proposed special assessment
 6 or tax. The final action taken by the governing body shall be
 7 recorded and is final and conclusive, except that an appeal may be
 8 taken in the manner prescribed by subsection (e).

9 (e) A person who filed a written remonstrance with a governing
 10 body under subsection (d) and is aggrieved by the final action
 11 taken may, within ten (10) days after that final action, file in the
 12 office of the clerk of the circuit or superior court a copy of the
 13 order of the governing body and the person's remonstrance or
 14 objection against that final action, together with a bond
 15 conditioned to pay the costs of appeal if the appeal is determined
 16 against the person. The only ground of remonstrance or objection
 17 that the court may hear is whether the proposed special assessment
 18 or tax will help achieve the redevelopment of economic
 19 development objectives for the allocation area or honor its
 20 obligations related to the allocation area. An appeal under this
 21 subsection shall be promptly heard by the court without a jury. All
 22 remonstrances or objections upon which an appeal has been taken
 23 must be consolidated, heard, and determined within thirty (30)
 24 days after the time of the filing of the appeal. The court shall hear
 25 evidence on the remonstrances or objections and may confirm the
 26 final action of the governing body or sustain the remonstrances or
 27 objections. The judgment of the court is final and conclusive, unless
 28 an appeal is taken as in other civil actions.

29 SECTION 225. IC 6-1.1-21.2-15, AS AMENDED BY
 30 P.L.224-2007, SECTION 40, IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 15. ~~(a)~~ A tax
 32 levied under this chapter shall be certified by the department of local
 33 government finance to the auditor of the county in which the district is
 34 located and shall be:

35 (1) estimated and entered upon the tax duplicates by the county
 36 auditor; and

37 (2) collected and enforced by the county treasurer;

38 in the same manner as state and county taxes are estimated, entered,
 39 collected, and enforced:

40 ~~(b)~~ (a) As the special assessment or tax imposed under this
 41 chapter is collected by the county treasurer, it shall be transferred to
 42 the governing body and accumulated and kept in the special fund for

1 the allocation area.

2 (c) (b) A **special assessment or tax** levied under this chapter
 3 (1) is exempt from the levy limitations imposed under
 4 IC 6-1.1-18.5; and
 5 (2) is not subject to IC 6-1.1-20.

6 (d) Notwithstanding any other provision of this chapter or
 7 IC 6-1.1-20.6, a governing body may file with the county auditor a
 8 certified statement providing that for purposes of computing and
 9 applying a credit under IC 6-1.1-20.6 for a particular calendar year, a
 10 taxpayer's property tax liability does not include the liability for a tax
 11 levied under this chapter. The department of local government finance
 12 shall adopt the form of the certified statement that a governing body
 13 may file under this subsection. The department of local government
 14 finance shall establish procedures governing the filing of a certified
 15 statement under this subsection. If a governing body files a certified
 16 statement under this subsection, then for purposes of computing and
 17 applying a credit under IC 6-1.1-20.6 for the specified calendar year,
 18 a taxpayer's property tax liability does not include the liability for a tax
 19 levied under this chapter.

20 (e) (c) A **special assessment or tax** levied under this chapter and
 21 the use of revenues from a **special assessment or tax** levied under this
 22 chapter by a governing body do not create a constitutional or statutory
 23 debt, pledge, or obligation of the governing body, the district, or any
 24 unit: **county, city, town, or township.**

25 SECTION 226. IC 6-1.1-21.2-16 IS ADDED TO THE INDIANA
 26 CODE AS A NEW SECTION TO READ AS FOLLOWS
 27 [EFFECTIVE JANUARY 1, 2009]: **Sec. 16. (a) This section applies**
 28 **if the tax increment replacement amount for an allocation area in**
 29 **a district is less than zero (0).**

30 (b) **The governing body of a district shall increase the base**
 31 **assessed value of property in the allocation area to an amount**
 32 **sufficient so that the tax increment replacement amount is equal to**
 33 **zero (0).**

34 SECTION 227. IC 6-1.1-21.3 IS ADDED TO THE INDIANA
 35 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
 36 [EFFECTIVE UPON PASSAGE]:

37 **Chapter 21.3. Rainy Day Fund Loans for Qualified Taxing Units**
 38 **(Closure of Manufacturing Facilities)**

39 **Sec. 1. As used in this chapter, "board" refers to the state board**
 40 **of finance.**

41 **Sec. 2. As used in this chapter, "qualified taxing unit" means a**
 42 **taxing unit for which the board determines that the closing of a**

1 manufacturing facility operated by a qualifying taxpayer reduces
 2 the assessed value of the taxing unit so significantly that property
 3 tax collections for the taxing unit will be reduced significantly
 4 without unreasonable property tax rate increases for other
 5 taxpayers.

6 Sec. 3. As used in this chapter, "qualifying taxpayer" means a
 7 taxpayer that manufactures electronics, instruments, lighting, trim,
 8 and other parts used in the manufacture and assembly of vehicles.

9 Sec. 4. A qualified taxing unit may apply to the board for one (1)
 10 or more loans from the counter-cyclical revenue and economic
 11 stabilization fund.

12 Sec. 5. (a) The board, after review by the budget committee,
 13 shall determine the terms of any loan made under this chapter.

14 (b) The total amount of all loans under this chapter for all
 15 calendar years may not exceed six million dollars (\$6,000,000).

16 (c) The board may disburse in installments the proceeds of a
 17 loan made under this chapter.

18 (d) A qualified taxing unit may repay a loan made under this
 19 chapter from any sources of revenue.

20 (e) The obligation to repay a loan made under this chapter is not
 21 a basis for the qualified taxing unit to obtain an excessive tax levy
 22 under IC 6-1.1-18.5 or IC 6-1.1-19.

23 (f) Whenever the board receives a payment on a loan made
 24 under this chapter, the board shall deposit the amount paid in the
 25 counter-cyclical revenue and economic stabilization fund.

26 Sec. 6. (a) The proceeds of a loan received by the qualified
 27 taxing unit under this chapter are not considered to be part of the
 28 ad valorem property tax levy actually collected by the qualified
 29 taxing unit for taxes first due and payable during a particular
 30 calendar year for the purpose of calculating levy excess.

31 (b) Proceeds of a loan made under this chapter may be
 32 expended by a qualified taxing unit only to pay obligations of the
 33 qualified taxing unit that have been incurred under appropriations
 34 for operating expenses made by the qualified taxing unit and
 35 approved by the department of local government finance.

36 Sec. 7. A loan under this chapter is not bonded indebtedness for
 37 purposes of IC 6-1.1-18.5.

38 SECTION 228. IC 6-1.1-21.4 IS ADDED TO THE INDIANA
 39 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
 40 [EFFECTIVE UPON PASSAGE]:

41 Chapter 21.4. Rainy Day Fund Loans for Qualified Taxing Units
 42 (Floods)

1 **Sec. 1. As used in this chapter, "board" refers to the state board**
 2 **of finance.**

3 **Sec. 2. As used in this chapter, "qualified taxing unit" means a**
 4 **taxing unit:**

5 **(1) in which the assessed value is reduced due to storms and**
 6 **flooding in January 2008 for which the Federal Emergency**
 7 **Management Agency issued an order authorizing certain**
 8 **assistance; and**

9 **(2) in which the reduction in assessed value described in**
 10 **subdivision (1) will result in an unreasonable hardship on**
 11 **taxpayers in the taxing unit.**

12 **Sec. 3. A qualified taxing unit may apply to the board for one (1)**
 13 **or more loans from the counter-cyclical revenue and economic**
 14 **stabilization fund.**

15 **Sec. 4. (a) The board, after review by the budget committee,**
 16 **shall determine the terms of any loan made under this chapter.**

17 **(b) The total amount of all loans under this chapter for all**
 18 **calendar years may not exceed twenty million dollars**
 19 **(\$20,000,000).**

20 **(c) The board may disburse in installments the proceeds of a**
 21 **loan made under this chapter.**

22 **(d) A qualified taxing unit may repay a loan made under this**
 23 **chapter from any sources of revenue.**

24 **(e) The obligation to repay a loan made under this chapter is not**
 25 **a basis for the qualified taxing unit to obtain an excessive tax levy**
 26 **under IC 6-1.1-18.5 or IC 6-1.1-19.**

27 **(f) Whenever the board receives a payment on a loan made**
 28 **under this chapter, the board shall deposit the amount paid in the**
 29 **counter-cyclical revenue and economic stabilization fund.**

30 **Sec. 5. (a) The proceeds of a loan received by the qualified**
 31 **taxing unit under this chapter are not considered to be part of the**
 32 **ad valorem property tax levy actually collected by the qualified**
 33 **taxing unit for taxes first due and payable during a particular**
 34 **calendar year for the purpose of calculating levy excess.**

35 **(b) Proceeds of a loan made under this chapter may be**
 36 **expended by a qualified taxing unit only to pay obligations of the**
 37 **qualified taxing unit that have been incurred under appropriations**
 38 **for operating expenses made by the qualified taxing unit and**
 39 **approved by the department of local government finance.**

40 **Sec. 6. A loan under this chapter is not bonded indebtedness for**
 41 **purposes of IC 6-1.1-18.5.**

42 SECTION 229. IC 6-1.1-21.5-5, AS AMENDED BY P.L.2-2006,

1 SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JANUARY 1, 2009]: Sec. 5. (a) The board shall determine the terms
3 of a loan made under this chapter. However, interest may not be
4 charged on the loan, and the loan must be repaid not later than ten (10)
5 years after the date on which the loan was made.

6 (b) The loan shall be repaid only from property tax revenues of the
7 qualified taxing unit that are subject to the levy limitations imposed by
8 IC 6-1.1-18.5. ~~or IC 20-45-3~~. The payment of any installment of
9 principal constitutes a first charge against such property tax revenues
10 as collected by the qualified taxing unit during the calendar year the
11 installment is due and payable.

12 (c) The obligation to repay the loan is not a basis for the qualified
13 taxing unit to obtain an excessive tax levy under IC 6-1.1-18.5. ~~or~~
14 ~~IC 20-45-6~~.

15 (d) Whenever the board receives a payment on a loan made under
16 this chapter, the board shall deposit the amount paid in the
17 counter-cyclical revenue and economic stabilization fund.

18 (e) This section may not be construed to prevent the qualified taxing
19 unit from repaying a loan made under this chapter before the date
20 specified in subsection (a) if a taxpayer described in section 3 of this
21 chapter resumes paying property taxes to the qualified taxing unit.

22 SECTION 230. IC 6-1.1-21.5-6, AS AMENDED BY P.L.2-2006,
23 SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 JANUARY 1, 2009]: Sec. 6. (a) The receipt by the qualified taxing unit
25 of the loan proceeds is not considered to be part of the ad valorem
26 property tax levy actually collected by the qualified taxing unit for
27 taxes first due and payable during a particular calendar year for the
28 purpose of calculating the levy excess under IC 6-1.1-18.5-17 and
29 IC 20-44-3. The receipt by the qualified taxing unit of any payment of
30 delinquent tax owed by a taxpayer in bankruptcy is considered to be
31 part of the ad valorem property tax levy actually collected by the
32 qualified taxing unit for taxes first due and payable during a particular
33 calendar year for the purpose of calculating the levy excess under
34 IC 6-1.1-18.5-17 and IC 20-44-3.

35 (b) The loan proceeds and any payment of delinquent tax may be
36 expended by the qualified taxing unit only to pay debts of the qualified
37 taxing unit that have been incurred pursuant to duly adopted
38 appropriations approved by the department of local government finance
39 for operating expenses.

40 (c) In the event the sum of the receipts of the qualified taxing unit
41 that are attributable to:

42 (1) the loan proceeds; and

1 (2) the payment of property taxes owed by a taxpayer in a
 2 bankruptcy proceeding initially filed in 2000 and payable in 2001;
 3 exceeds sixteen million dollars (\$16,000,000), the excess as received
 4 during any calendar year or years shall be set aside and treated for the
 5 calendar year when received as a levy excess subject to
 6 IC 6-1.1-18.5-17 or IC 20-44-3. In calculating the payment of property
 7 taxes as provided in subdivision (2), the amount of property tax credit
 8 finally allowed under IC 6-1.1-21-5 (**before its repeal**) in respect to
 9 such taxes is considered a payment of such property taxes.

10 (d) As used in this section, "delinquent tax" means any tax owed by
 11 a taxpayer in a bankruptcy proceeding initially filed in 2000 and that
 12 is not paid during the calendar year for which it was first due and
 13 payable.

14 SECTION 231. IC 6-1.1-21.8-4, AS AMENDED BY P.L.2-2006,
 15 SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JANUARY 1, 2009]: Sec. 4. (a) The board shall determine the terms
 17 of a loan made under this chapter. However, the interest charged on the
 18 loan may not exceed the percent of increase in the United States
 19 Department of Labor Consumer Price Index for Urban Wage Earners
 20 and Clerical Workers during the most recent twelve (12) month period
 21 for which data is available as of the date that the unit applies for a loan
 22 under this chapter. In the case of a qualified taxing unit that is not a
 23 school corporation or a public library (as defined in IC 36-12-1-5), a
 24 loan must be repaid not later than ten (10) years after the date on which
 25 the loan was made. In the case of a qualified taxing unit that is a school
 26 corporation or a public library (as defined in IC 36-12-1-5), a loan must
 27 be repaid not later than eleven (11) years after the date on which the
 28 loan was made. A school corporation or a public library (as defined in
 29 IC 36-12-1-5) is not required to begin making payments to repay a loan
 30 until after June 30, 2004. The total amount of all the loans made under
 31 this chapter may not exceed twenty-eight million dollars (\$28,000,000).
 32 The board may disburse the proceeds of a loan in installments.
 33 However, not more than one-third (1/3) of the total amount to be
 34 loaned under this chapter may be disbursed at any particular time
 35 without the review of the budget committee and the approval of the
 36 budget agency.

37 (b) A loan made under this chapter shall be repaid only from:

38 (1) property tax revenues of the qualified taxing unit that are
 39 subject to the levy limitations imposed by IC 6-1.1-18.5. ~~or~~
 40 ~~IC 20-45-3;~~

41 (2) in the case of a school corporation, the school corporation's
 42 debt service fund; or

1 (3) any other source of revenues (other than property taxes) that
2 is legally available to the qualified taxing unit.

3 The payment of any installment of principal constitutes a first charge
4 against the property tax revenues described in subdivision (1) that are
5 collected by the qualified taxing unit during the calendar year the
6 installment is due and payable.

7 (c) The obligation to repay a loan made under this chapter is not a
8 basis for the qualified taxing unit to obtain an excessive tax levy under
9 IC 6-1.1-18.5. ~~or IC 20-45-6.~~

10 (d) Whenever the board receives a payment on a loan made under
11 this chapter, the board shall deposit the amount paid in the
12 counter-cyclical revenue and economic stabilization fund.

13 (e) This section does not prohibit a qualified taxing unit from
14 repaying a loan made under this chapter before the date specified in
15 subsection (a) if a taxpayer described in section 3 of this chapter
16 resumes paying property taxes to the qualified taxing unit.

17 (f) Interest accrues on a loan made under this chapter until the date
18 the board receives notice from the county auditor that the county has
19 adopted at least one (1) of the following:

- 20 (1) The county adjusted gross income tax under IC 6-3.5-1.1.
21 (2) The county option income tax under IC 6-3.5-6.
22 (3) The county economic development income tax under
23 IC 6-3.5-7.

24 Notwithstanding subsection (a), interest may not be charged on a loan
25 made under this chapter if a tax described in this subsection is adopted
26 before a qualified taxing unit applies for the loan.

27 SECTION 232. IC 6-1.1-21.8-5, AS AMENDED BY P.L.2-2006,
28 SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 JANUARY 1, 2009]: Sec. 5. The maximum amount that the board may
30 loan to a qualified taxing unit is determined under STEP FOUR of the
31 following formula:

32 STEP ONE: Determine the amount of the taxpayer's property
33 taxes due and payable in November 2001 that are attributable to
34 the qualified taxing unit as determined by the department of local
35 government finance.

36 STEP TWO: Multiply the STEP ONE amount by one and
37 thirty-one thousandths (1.031).

38 STEP THREE: Multiply the STEP TWO product by two (2).

39 STEP FOUR: Add the STEP ONE amount to the STEP THREE
40 product.

41 However, in the case of a qualified taxing unit that is a school
42 corporation, the amount determined under STEP FOUR shall be

1 reduced by the board to the extent that the school corporation receives
 2 relief in the form of adjustments to the school corporation's assessed
 3 valuation under ~~IC 20-45-4-7~~ or IC 6-1.1-17-0.5 or **IC 6-1.1-19-5.3**.

4 SECTION 233. IC 6-1.1-21.8-6, AS AMENDED BY P.L.2-2006,
 5 SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JANUARY 1, 2009]: Sec. 6. (a) As used in this section, "delinquent
 7 tax" means any tax:

8 (1) owed by a taxpayer in a bankruptcy proceeding initially filed
 9 in 2001; and

10 (2) not paid during the calendar year in which it was first due and
 11 payable.

12 (b) Except as provided in subsection (d), the proceeds of a loan
 13 received by the qualified taxing unit under this chapter are not
 14 considered to be part of the ad valorem property tax levy actually
 15 collected by the qualified taxing unit for taxes first due and payable
 16 during a particular calendar year for the purpose of calculating the levy
 17 excess under IC 6-1.1-18.5-17 and IC 20-44-3. The receipt by a
 18 qualified taxing unit of any payment of delinquent tax owed by a
 19 taxpayer in bankruptcy is considered to be part of the ad valorem
 20 property tax levy actually collected by the qualified taxing unit for
 21 taxes first due and payable during a particular calendar year for the
 22 purpose of calculating the levy excess under IC 6-1.1-18.5-17 and
 23 IC 20-44-3.

24 (c) The proceeds of a loan made under this chapter must first be
 25 used to retire any outstanding loans made by the department of
 26 commerce (including any loans made by the department of commerce
 27 that are transferred to the Indiana economic development corporation)
 28 to cover a qualified taxing unit's revenue shortfall resulting from the
 29 taxpayer's default on property tax payments. Any remaining proceeds
 30 of a loan made under this chapter and any payment of delinquent taxes
 31 by the taxpayer may be expended by the qualified taxing unit only to
 32 pay obligations of the qualified taxing unit that have been incurred
 33 under appropriations for operating expenses made by the qualified
 34 taxing unit and approved by the department of local government
 35 finance.

36 (d) If the sum of the receipts of a qualified taxing unit that are
 37 attributable to:

38 (1) the loan proceeds; and

39 (2) the payment of property taxes owed by a taxpayer in a
 40 bankruptcy proceeding and payable in November 2001, May
 41 2002, or November 2002;

42 exceeds the sum of the taxpayer's property tax liability attributable to

1 the qualified taxing unit for property taxes payable in November 2001,
 2 May 2002, and November 2002, the excess as received during any
 3 calendar year or years shall be set aside and treated for the calendar
 4 year when received as a levy excess subject to IC 6-1.1-18.5-17 or
 5 IC 20-44-3. In calculating the payment of property taxes as referred to
 6 in subdivision (2), the amount of property tax credit finally allowed
 7 under IC 6-1.1-21-5 (**before its repeal**) in respect to those taxes is
 8 considered to be a payment of those property taxes.

9 SECTION 234. IC 6-1.1-21.9-3, AS ADDED BY P.L.114-2006,
 10 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JANUARY 1, 2009]: Sec. 3. (a) The board, not later than December
 12 31, 2007, and after review by the budget committee, shall determine
 13 the terms of a loan made under this chapter, subject to the following:

14 (1) The board may not charge interest on the loan.

15 (2) The loan must be repaid not later than ten (10) years after the
 16 date on which the loan was made.

17 (3) The terms of the loan must allow for prepayment of the loan
 18 without penalty.

19 (4) The maximum amount of the loan that a qualifying taxing unit
 20 may receive with respect to a default described in section 1(c)(3)
 21 of this chapter on one (1) or more payments of property taxes first
 22 due and payable in a calendar year is the amount, as determined
 23 by the board, of revenue shortfall for the qualifying taxing unit
 24 that results from the default for that calendar year.

25 (5) The total amount of all loans under this chapter for all
 26 calendar years may not exceed thirteen million dollars
 27 (\$13,000,000).

28 (b) The board may disburse in installments the proceeds of a loan
 29 made under this chapter.

30 (c) A qualified taxing unit may repay a loan made under this chapter
 31 from any of the following:

32 (1) Property tax revenues of the qualified taxing unit that are
 33 subject to the levy limitations imposed by IC 6-1.1-18.5. ~~or~~
 34 ~~IC 6-1.1-19.~~

35 (2) Property tax revenues of the qualified taxing unit that are not
 36 subject to levy limitations as provided in IC 6-1.1-18.5-21. ~~or~~
 37 ~~IC 6-1.1-19-13.~~

38 (3) The qualified taxing unit's debt service fund.

39 (4) Any other source of revenues (other than property taxes) that
 40 is legally available to the qualified taxing unit.

41 The payment of any installment on a loan made under this chapter
 42 constitutes a first charge against the property tax revenues described in

1 subdivision (1) or (2) that are collected by the qualified taxing unit
2 during the calendar year the installment is due and payable.

3 (d) The obligation to repay a loan made under this chapter is not a
4 basis for the qualified taxing unit to obtain an excessive tax levy under
5 IC 6-1.1-18.5. ~~or IC 6-1.1-19.~~

6 (e) Whenever the board receives a payment on a loan made under
7 this chapter, the board shall deposit the amount paid in the
8 counter-cyclical revenue and economic stabilization fund.

9 SECTION 235. IC 6-1.1-21.9-4, AS ADDED BY P.L.114-2006,
10 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JANUARY 1, 2009]: Sec. 4. (a) As used in this section, "delinquent
12 tax" means any tax not paid during the calendar year in which the tax
13 was first due and payable.

14 (b) Except as provided in subsection (c), the following are not
15 considered to be part of the ad valorem property tax levy actually
16 collected by the qualified taxing unit for taxes first due and payable
17 during a particular calendar year for the purpose of calculating the levy
18 excess under IC 6-1.1-18.5-17 and ~~IC 6-1.1-19-1.7.~~ **IC 20-44-2.**

19 (1) The proceeds of a loan received by the qualified taxing unit
20 under this chapter.

21 (2) The receipt by a qualified taxing unit of any payment of
22 delinquent tax owed by a qualified taxpayer.

23 (c) Delinquent tax owed by a qualified taxpayer received by a
24 qualified taxing unit:

25 (1) must first be used toward the retirement of an outstanding loan
26 made under this chapter; and

27 (2) is considered, only to the extent that the amount received
28 exceeds the amount of the outstanding loan, to be part of the ad
29 valorem property tax levy actually collected by the qualified
30 taxing unit for taxes first due and payable during a particular
31 calendar year for the purpose of calculating the levy excess under
32 IC 6-1.1-18.5-17 and ~~IC 6-1.1-19-1.7.~~ **IC 20-44-2.**

33 (d) If a qualified taxpayer pays delinquent tax during the term of
34 repayment of an outstanding loan made under this chapter, the
35 remaining loan balance is repayable in equal installments over the
36 remainder of the original term of repayment.

37 (e) Proceeds of a loan made under this chapter may be expended by
38 a qualified taxing unit only to pay obligations of the qualified taxing
39 unit that have been incurred under appropriations for operating
40 expenses made by the qualified taxing unit and approved by the
41 department of local government finance.

42 SECTION 236. IC 6-1.1-22-3, AS AMENDED BY P.L.67-2006,

1 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JANUARY 1, 2009]: Sec. 3. (a) Except as provided in subsection (b),
3 the auditor of each county shall, before March 15 of each year, prepare
4 a roll of property taxes payable in that year for the county. This roll
5 shall be known as the "tax duplicate" and shall show:

- 6 (1) the value of all the assessed property of the county;
- 7 (2) the person liable for the taxes on the assessed property; and
- 8 (3) any other information that the state board of accounts, with the
9 advice and approval of the department of local government
10 finance, may prescribe.

11 (b) If the county auditor receives a copy of an appeal petition under
12 ~~IC 6-1.1-18.5-12(g) or IC 6-1.1-19-2(g)~~ **IC 6-1.1-18.5-12(d)** before the
13 county auditor completes preparation of the tax duplicate under
14 subsection (a), the county auditor shall complete preparation of the tax
15 duplicate when the appeal is resolved by the department of local
16 government finance.

17 (c) If the county auditor receives a copy of an appeal petition under
18 ~~IC 6-1.1-18.5-12(g) or IC 6-1.1-19-2(g)~~ **IC 6-1.1-18.5-12(d)** after the
19 county auditor completes preparation of the tax duplicate under
20 subsection (a), the county auditor shall prepare a revised tax duplicate
21 when the appeal is resolved by the department of local government
22 finance that reflects the action of the department.

23 (d) The county auditor shall comply with the instructions issued by
24 the state board of accounts for the preparation, preservation, alteration,
25 and maintenance of the tax duplicate. The county auditor shall deliver
26 a copy of the tax duplicate prepared under subsection (a) to the county
27 treasurer when preparation of the tax duplicate is completed.

28 SECTION 237. IC 6-1.1-22-5, AS AMENDED BY P.L.67-2006,
29 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JANUARY 1, 2009]: Sec. 5. (a) Except as provided in subsections (b)
31 and (c), on or before March 15 of each year, the county auditor shall
32 prepare and deliver to the auditor of state and the county treasurer a
33 certified copy of an abstract of the property, assessments, taxes,
34 deductions, and exemptions for taxes payable in that year in each
35 taxing district of the county. The county auditor shall prepare the
36 abstract in such a manner that the information concerning property tax
37 deductions reflects the total amount of each type of deduction. The
38 abstract shall also contain a statement of the taxes and penalties unpaid
39 in each taxing unit at the time of the last settlement between the county
40 auditor and county treasurer and the status of these delinquencies. The
41 county auditor shall prepare the abstract on the form prescribed by the
42 state board of accounts. The auditor of state, county auditor, and county

1 treasurer shall each keep a copy of the abstract as a public record.

2 (b) If the county auditor receives a copy of an appeal petition under
 3 ~~IC 6-1.1-18.5-12(g) or IC 6-1.1-19-2(g)~~ **IC 6-1.1-18.5-12(d)** before the
 4 county auditor prepares and delivers the certified copy of the abstract
 5 under subsection (a), the county auditor shall prepare and deliver the
 6 certified copy of the abstract when the appeal is resolved by the
 7 department of local government finance.

8 (c) If the county auditor receives a copy of an appeal petition under
 9 ~~IC 6-1.1-18.5-12(g) or IC 6-1.1-19-2(g)~~ **IC 6-1.1-18.5-12(d)** after the
 10 county auditor prepares and delivers the certified copy of the abstract
 11 under subsection (a), the county auditor shall prepare and deliver a
 12 certified copy of a revised abstract when the appeal is resolved by the
 13 department of local government finance that reflects the action of the
 14 department.

15 SECTION 238. IC 6-1.1-22-9, AS AMENDED BY HEA 1137-2008,
 16 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2008]: Sec. 9. (a) Except as provided in subsections (b) and
 18 (c) the property taxes assessed for a year under this article are due in
 19 two (2) equal installments on May 10 and November 10 of the
 20 following year.

21 (b) Subsection (a) does not apply if any of the following apply to the
 22 property taxes assessed for the year under this article:

- 23 (1) Subsection (c).
- 24 (2) Subsection (d).
- 25 (3) Subsection (h).
- 26 (4) Subsection (i).
- 27 (5) IC 6-1.1-7-7.
- 28 (6) Section 9.5 of this chapter.

29 (c) A county council may adopt an ordinance to require a person to
 30 pay the person's property tax liability in one (1) installment, if the tax
 31 liability for a particular year is less than twenty-five dollars (\$25). If the
 32 county council has adopted such an ordinance, then whenever a tax
 33 statement mailed under section 8.1 of this chapter shows that the
 34 person's property tax liability for a year is less than twenty-five dollars
 35 (\$25) for the property covered by that statement, the tax liability for
 36 that year is due in one (1) installment on May 10 of that year.

37 (d) If the county treasurer receives a copy of an appeal petition
 38 under ~~IC 6-1.1-18.5-12(g)~~ **IC 6-1.1-18.5-12(d)** before the county
 39 treasurer mails or transmits statements under section 8.1(b) of this
 40 chapter, the county treasurer may:

- 41 (1) mail or transmit the statements without regard to the pendency
 42 of the appeal and, if the resolution of the appeal by the department

- 1 of local government finance results in changes in levies, mail or
 2 transmit reconciling statements under subsection (e); or
 3 (2) delay the mailing or transmission of statements under section
 4 8.1(b) of this chapter so that:
- 5 (A) the due date of the first installment that would otherwise
 6 be due under subsection (a) is delayed by not more than sixty
 7 (60) days; and
 - 8 (B) all statements reflect any changes in levies that result from
 9 the resolution of the appeal by the department of local
 10 government finance.
- 11 (e) A reconciling statement under subsection (d)(1) must indicate:
- 12 (1) the total amount due for the year;
 - 13 (2) the total amount of the installments paid that did not reflect
 14 the resolution of the appeal under ~~IC 6-1.1-18.5-12(g)~~
 15 **IC 6-1.1-18.5-12(d)** by the department of local government
 16 finance;
 - 17 (3) if the amount under subdivision (1) exceeds the amount under
 18 subdivision (2), the adjusted amount that is payable by the
 19 taxpayer:
 - 20 (A) as a final reconciliation of all amounts due for the year;
 - 21 and
 - 22 (B) not later than:
 - 23 (i) November 10; or
 - 24 (ii) the date or dates established under section 9.5 of this
 25 chapter; and
 - 26 (4) if the amount under subdivision (2) exceeds the amount under
 27 subdivision (1), that the taxpayer may claim a refund of the excess
 28 under IC 6-1.1-26.
 - 29 (f) If property taxes are not paid on or before the due date, the
 30 penalties prescribed in IC 6-1.1-37-10 shall be added to the delinquent
 31 taxes.
 - 32 (g) Notwithstanding any other law, a property tax liability of less
 33 than five dollars (\$5) is increased to five dollars (\$5). The difference
 34 between the actual liability and the five dollar (\$5) amount that appears
 35 on the statement is a statement processing charge. The statement
 36 processing charge is considered a part of the tax liability.
 - 37 (h) If in a county the notices of general reassessment under
 38 IC 6-1.1-4-4 or notices of assessment under IC 6-1.1-4-4.5 for an
 39 assessment date in a calendar year are given to the taxpayers in the
 40 county after March 26 of the immediately succeeding calendar year, the
 41 property taxes that would otherwise be due under subsection (a) on
 42 May 10 of the immediately succeeding calendar year are due on the

1 later of:

- 2 (1) May 10 of the immediately succeeding calendar year; or
 3 (2) forty-five (45) days after the notices are given to taxpayers in
 4 the county.

5 (i) If subsection (h) applies, the property taxes that would otherwise
 6 be due under subsection (a) on November 10 of the immediately
 7 succeeding calendar year referred to in subsection (h) are due on the
 8 later of:

- 9 (1) November 10 of the immediately succeeding calendar year; or
 10 (2) a date determined by the county treasurer that is not later than
 11 December 31 of the immediately succeeding calendar year.

12 SECTION 239. IC 6-1.1-22-9.5, AS AMENDED BY
 13 HEA1137-2008, SECTION 57, IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 9.5. (a) This
 15 section applies only to property taxes first due and payable in a year
 16 that begins after December 31, 2003:

- 17 (1) with respect to a homestead (as defined in ~~IC 6-1.1-20-9-1~~;
 18 **IC 6-1.1-12-37**); and
 19 (2) that are not payable in one (1) installment under section 9(c)
 20 of this chapter.

21 (b) At any time before the mailing or transmission of tax statements
 22 for a year under section 8.1 of this chapter, a county may petition the
 23 department of local government finance to establish a schedule of
 24 installments for the payment of property taxes with respect to:

- 25 (1) real property that are based on the assessment of the property
 26 in the immediately preceding year; or
 27 (2) a mobile home or manufactured home that is not assessed as
 28 real property that are based on the assessment of the property in
 29 the current year.

30 The county fiscal body (as defined in IC 36-1-2-6) must approve a
 31 petition under this subsection.

32 (c) The department of local government finance:

- 33 (1) may not establish a date for:
 34 (A) an installment payment that is earlier than May 10 of the
 35 year in which the tax statement is mailed or transmitted;
 36 (B) the first installment payment that is later than November
 37 10 of the year in which the tax statement is mailed or
 38 transmitted; or
 39 (C) the last installment payment that is later than May 10 of
 40 the year immediately following the year in which the tax
 41 statement is mailed or transmitted; and
 42 (2) shall:

- 1 (A) prescribe the form of the petition under subsection (b);
 2 (B) determine the information required on the form; and
 3 (C) notify the county fiscal body, the county auditor, and the
 4 county treasurer of the department's determination on the
 5 petition not later than twenty (20) days after receiving the
 6 petition.

7 (d) Revenue from property taxes paid under this section in the year
 8 immediately following the year in which the tax statement is mailed or
 9 transmitted under section 8.1 of this chapter:

10 (1) is not considered in the determination of a levy excess under
 11 IC 6-1.1-18.5-17 or IC 20-44-3 for the year in which the property
 12 taxes are paid; and

13 (2) may be:

14 (A) used to repay temporary loans entered into by a political
 15 subdivision for; and

16 (B) expended for any other reason by a political subdivision in
 17 the year the revenue is received under an appropriation from;
 18 the year in which the tax statement is mailed or transmitted under
 19 section 8.1 of this chapter.

20 SECTION 240. IC 6-1.1-22.5-12, AS AMENDED BY
 21 P.L.219-2007, SECTION 67, IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) Except as
 23 provided by subsection (c), each reconciling statement must indicate:

24 (1) the actual property tax liability under this article on the
 25 assessment determined for the assessment date for the property
 26 for which the reconciling statement is issued;

27 (2) the total amount paid under the provisional statement for the
 28 property for which the reconciling statement is issued;

29 (3) if the amount under subdivision (1) exceeds the amount under
 30 subdivision (2), that the excess is payable by the taxpayer:

31 (A) as a final reconciliation of the tax liability; and

32 (B) not later than:

33 (i) thirty (30) days after the date of the reconciling
 34 statement; ~~or~~

35 (ii) if the county treasurer requests in writing that the
 36 commissioner designate a later date, the date designated by
 37 the commissioner; **or**

38 **(iii) the date specified in an ordinance adopted under**
 39 **section 18.5 of this chapter; and**

40 (4) if the amount under subdivision (2) exceeds the amount under
 41 subdivision (1), that the taxpayer may claim a refund of the excess
 42 under IC 6-1.1-26.

1 (b) If, upon receipt of the abstract referred to in section 6 of this
 2 chapter, the county treasurer determines that it is possible to complete
 3 the:

- 4 (1) preparation; and
- 5 (2) mailing or transmittal;

6 of the reconciling statement at least thirty (30) days before the due date
 7 of the second installment specified in the provisional statement, the
 8 county treasurer may request in writing that the department of local
 9 government finance permit the county treasurer to issue a reconciling
 10 statement that adjusts the amount of the second installment that was
 11 specified in the provisional statement. If the department approves the
 12 county treasurer's request, the county treasurer shall prepare and mail
 13 or transmit the reconciling statement at least thirty (30) days before the
 14 due date of the second installment specified in the provisional
 15 statement.

16 (c) A reconciling statement prepared under subsection (b) must
 17 indicate:

- 18 (1) the actual property tax liability under this article on the
- 19 assessment determined for the assessment date for the property
- 20 for which the reconciling statement is issued;
- 21 (2) the total amount of the first installment paid under the
- 22 provisional statement for the property for which the reconciling
- 23 statement is issued;
- 24 (3) if the amount under subdivision (1) exceeds the amount under
- 25 subdivision (2), the adjusted amount of the second installment
- 26 that is payable by the taxpayer:
 - 27 (A) as a final reconciliation of the tax liability; and
 - 28 (B) not later than:
 - 29 (i) November 10; or
 - 30 (ii) if the county treasurer requests in writing that the
 - 31 commissioner designate a later date, the date designated by
 - 32 the commissioner; and
- 33 (4) if the amount under subdivision (2) exceeds the amount under
- 34 subdivision (1), that the taxpayer may claim a refund of the excess
- 35 under IC 6-1.1-26.

36 SECTION 241. IC 6-1.1-22.5-18, AS AMENDED BY
 37 P.L.219-2007, SECTION 68, IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. For purposes
 39 of IC 6-1.1-24-1(a)(1):

- 40 (1) the first installment on a provisional statement is considered
- 41 to be the taxpayer's spring installment of property taxes;
- 42 (2) except as provided in subdivision (3) or **section 18.5 of this**

1 **chapter**, payment on a reconciling statement is considered to be
 2 due before the due date of the first installment of property taxes
 3 payable in the following year; and

4 (3) payment on a reconciling statement described in section 12(b)
 5 of this chapter is considered to be the taxpayer's fall installment
 6 of property taxes.

7 SECTION 242. IC 6-1.1-22.5-18.5 IS ADDED TO THE INDIANA
 8 CODE AS A NEW SECTION TO READ AS FOLLOWS
 9 [EFFECTIVE UPON PASSAGE]: **Sec. 18.5. (a) A county council**
 10 **may adopt an ordinance to allow a taxpayer to make installment**
 11 **payments under this section of a tax payment due under a**
 12 **reconciling statement issued under this chapter or any other**
 13 **provision.**

14 **(b) An ordinance adopted under this section must specify:**

15 **(1) the reconciling statement to which the ordinance applies;**
 16 **and**

17 **(2) the installment due dates for taxpayers that choose to**
 18 **make installment payments.**

19 **(c) An ordinance adopted under this section must give taxpayers**
 20 **in the county the option of:**

21 **(1) making a single payment of the tax payment due under the**
 22 **reconciling statement on the date specified in the reconciling**
 23 **statement; or**

24 **(2) paying installments of the tax payment due under the**
 25 **reconciling statement over the installment period specified in**
 26 **the ordinance.**

27 **(d) If the total amount due on an installment date under this**
 28 **section is not completely paid on or before that installment date,**
 29 **the amount unpaid is considered delinquent and a penalty is added**
 30 **to the unpaid amount. The penalty is equal to an amount**
 31 **determined as follows:**

32 **(1) If:**

33 **(A) the delinquent amount of real property taxes is**
 34 **completely paid on or before the date thirty (30) days after**
 35 **the installment date; and**

36 **(B) the taxpayer is not liable for delinquent property taxes**
 37 **first due and payable in a previous year for the same**
 38 **parcel;**

39 **the amount of the penalty is equal to five percent (5%) of the**
 40 **delinquent amount.**

41 **(2) If:**

42 **(A) the delinquent amount of personal property taxes is**

- 1 **completely paid on or before the date thirty (30) days after**
 2 **the installment date; and**
 3 **(B) the taxpayer is not liable for delinquent property taxes**
 4 **first due and payable in a previous year for a personal**
 5 **property tax return for property in the same taxing**
 6 **district;**
 7 **the amount of the penalty is equal to five percent (5%) of the**
 8 **delinquent amount.**
 9 **(3) If subdivision (1) or (2) does not apply, the amount of the**
 10 **penalty is equal to ten percent (10%) of the delinquent**
 11 **amount.**
 12 **(e) An additional penalty equal to ten percent (10%) of any**
 13 **taxes due on an installment date that remain unpaid shall be added**
 14 **on the day immediately following the date of the final installment**
 15 **payment.**
 16 **(f) The penalties under this section are imposed on only the**
 17 **principal amount of the delinquent taxes.**
 18 **(g) Notwithstanding any other provision, an ordinance adopted**
 19 **under this section may apply to the payment of amounts due under**
 20 **any reconciling statements issued by a county.**
 21 **(h) Approval by the department of local government finance is**
 22 **not required for the adoption of an ordinance under this section.**
 23 SECTION 243. IC 6-1.1-23-1, AS AMENDED BY P.L.214-2005,
 24 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2008]: Sec. 1. (a) Annually, after November 10th but before
 26 August 1st of the succeeding year, each county treasurer shall serve a
 27 written demand upon each county resident who is delinquent in the
 28 payment of personal property taxes. Annually, after May 10 but before
 29 October 31 of the same year, each county treasurer may serve a written
 30 demand upon a county resident who is delinquent in the payment of
 31 personal property taxes. The written demand may be served upon the
 32 taxpayer:
 33 (1) by registered or certified mail;
 34 (2) in person by the county treasurer or the county treasurer's
 35 agent; or
 36 (3) by proof of certificate of mailing.
 37 (b) The written demand required by this section shall contain:
 38 (1) a statement that the taxpayer is delinquent in the payment of
 39 personal property taxes;
 40 (2) the amount of the delinquent taxes;
 41 (3) the penalties due on the delinquent taxes;
 42 (4) the collection expenses which the taxpayer owes; and

1 (5) a statement that if the sum of the delinquent taxes, penalties,
2 and collection expenses are not paid within thirty (30) days from
3 the date the demand is made then:

4 (A) sufficient personal property of the taxpayer shall be sold
5 to satisfy the total amount due plus the additional collection
6 expenses incurred; or

7 (B) a judgment may be entered against the taxpayer in the
8 circuit court of the county.

9 (c) Subsections (d) through (g) apply only to personal property that:

10 (1) is subject to a lien of a creditor imposed under an agreement
11 entered into between the debtor and the creditor after June 30,
12 2005;

13 (2) comes into the possession of the creditor or the creditor's agent
14 after May 10, 2006, to satisfy all or part of the debt arising from
15 the agreement described in subdivision (1); and

16 (3) has an assessed value of at least three thousand two hundred
17 dollars (\$3,200).

18 (d) For the purpose of satisfying a creditor's lien on personal
19 property, the creditor of a taxpayer that comes into possession of
20 personal property on which the taxpayer is adjudicated delinquent in
21 the payment of personal property taxes must pay in full to the county
22 treasurer the amount of the delinquent personal property taxes
23 determined under STEP SEVEN of the following formula from the
24 proceeds of any transfer of the personal property made by the creditor
25 or the creditor's agent before applying the proceeds to the creditor's lien
26 on the personal property:

27 STEP ONE: Determine the amount realized from any transfer of
28 the personal property made by the creditor or the creditor's agent
29 after the payment of the direct costs of the transfer.

30 STEP TWO: Determine the amount of the delinquent taxes,
31 including penalties and interest accrued on the delinquent taxes
32 as identified on the form described in subsection (f) by the county
33 treasurer.

34 STEP THREE: Determine the amount of the total of the unpaid
35 debt that is a lien on the transferred property that was perfected
36 before the assessment date on which the delinquent taxes became
37 a lien on the transferred property.

38 STEP FOUR: Determine the sum of the STEP TWO amount and
39 the STEP THREE amount.

40 STEP FIVE: Determine the result of dividing the STEP TWO
41 amount by the STEP FOUR amount.

42 STEP SIX: Multiply the STEP ONE amount by the STEP FIVE

1 amount.

2 STEP SEVEN: Determine the lesser of the following:

3 (A) The STEP TWO amount.

4 (B) The STEP SIX amount.

5 (e) This subsection applies to transfers made by a creditor after May
6 10, 2006. As soon as practicable after a creditor comes into possession
7 of the personal property described in subsection (c), the creditor shall
8 request the form described in subsection (f) from the county treasurer.
9 Before a creditor transfers personal property described in subsection
10 (d) on which delinquent personal property taxes are owed, the creditor
11 must obtain from the county treasurer a delinquent personal property
12 tax form and file the delinquent personal property tax form with the
13 county treasurer. The creditor shall provide the county treasurer with:

- 14 (1) the name and address of the debtor; and
15 (2) a specific description of the personal property described in
16 subsection (d);

17 when requesting a delinquent personal property tax form.

18 (f) The delinquent personal property tax form must be in a form
19 prescribed by the state board of accounts under IC 5-11 and must
20 require the following information:

21 (1) The name and address of the debtor as identified by the
22 creditor.

23 (2) A description of the personal property identified by the
24 creditor and now in the creditor's possession.

25 (3) The assessed value of the personal property identified by the
26 creditor and now in the creditor's possession, as determined under
27 subsection (g).

28 (4) The amount of delinquent personal property taxes owed on the
29 personal property identified by the creditor and now in the
30 creditor's possession, as determined under subsection (g).

31 (5) A statement notifying the creditor that ~~IC 6-1.1-23-1~~ **this**
32 **section** requires that a creditor, upon the liquidation of personal
33 property for the satisfaction of the creditor's lien, must pay in full
34 the amount of delinquent personal property taxes owed as
35 determined under subsection (d) on the personal property in the
36 amount identified on this form from the proceeds of the
37 liquidation before the proceeds of the liquidation may be applied
38 to the creditor's lien on the personal property.

39 (g) The county treasurer shall provide the delinquent personal
40 property tax form described in subsection (f) to the creditor not later
41 than fourteen (14) days after the date the creditor requests the
42 delinquent personal property tax form. The county **assessor** and **the**

1 township assessors (**if any**) shall assist the county treasurer in
 2 determining the appropriate assessed value of the personal property and
 3 the amount of delinquent personal property taxes owed on the personal
 4 property. Assistance provided by the county **assessor** and **the** township
 5 assessors (**if any**) must include providing the county treasurer with
 6 relevant personal property forms filed with the **assessor or** assessors
 7 and providing the county treasurer with any other assistance necessary
 8 to accomplish the purposes of this section.

9 SECTION 244. IC 6-1.1-24-2, AS AMENDED BY P.L.89-2007,
 10 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2008]: Sec. 2. (a) In addition to the delinquency list required
 12 under section 1 of this chapter, each county auditor shall prepare a
 13 notice. The notice shall contain the following:

14 (1) A list of tracts or real property eligible for sale under this
 15 chapter.

16 (2) A statement that the tracts or real property included in the list
 17 will be sold at public auction to the highest bidder, subject to the
 18 right of redemption.

19 (3) A statement that the tracts or real property will not be sold for
 20 an amount which is less than the sum of:

21 (A) the delinquent taxes and special assessments on each tract
 22 or item of real property;

23 (B) the taxes and special assessments on each tract or item of
 24 real property that are due and payable in the year of the sale,
 25 whether or not they are delinquent;

26 (C) all penalties due on the delinquencies;

27 (D) an amount prescribed by the county auditor that equals the
 28 sum of:

29 (i) the greater of twenty-five dollars (\$25) or postage and
 30 publication costs; and

31 (ii) any other actual costs incurred by the county that are
 32 directly attributable to the tax sale; and

33 (E) any unpaid costs due under subsection (b) from a prior tax
 34 sale.

35 (4) A statement that a person redeeming each tract or item of real
 36 property after the sale must pay:

37 (A) one hundred ten percent (110%) of the amount of the
 38 minimum bid for which the tract or item of real property was
 39 offered at the time of sale if the tract or item of real property
 40 is redeemed not more than six (6) months after the date of
 41 sale;

42 (B) one hundred fifteen percent (115%) of the amount of the

- 1 minimum bid for which the tract or item of real property was
2 offered at the time of sale if the tract or item of real property
3 is redeemed more than six (6) months after the date of sale;
4 (C) the amount by which the purchase price exceeds the
5 minimum bid on the tract or item of real property plus ten
6 percent (10%) per annum on the amount by which the
7 purchase price exceeds the minimum bid; and
8 (D) all taxes and special assessments on the tract or item of
9 real property paid by the purchaser after the tax sale plus
10 interest at the rate of ten percent (10%) per annum on the
11 amount of taxes and special assessments paid by the purchaser
12 on the redeemed property.
- 13 (5) A statement for informational purposes only, of the location
14 of each tract or item of real property by key number, if any, and
15 street address, if any, or a common description of the property
16 other than a legal description. The township assessor, **or the**
17 **county assessor if there is no township assessor for the**
18 **township**, upon written request from the county auditor, shall
19 provide the information to be in the notice required by this
20 subsection. A misstatement in the key number or street address
21 does not invalidate an otherwise valid sale.
- 22 (6) A statement that the county does not warrant the accuracy of
23 the street address or common description of the property.
- 24 (7) A statement indicating:
- 25 (A) the name of the owner of each tract or item of real
26 property with a single owner; or
27 (B) the name of at least one (1) of the owners of each tract or
28 item of real property with multiple owners.
- 29 (8) A statement of the procedure to be followed for obtaining or
30 objecting to a judgment and order of sale, that must include the
31 following:
- 32 (A) A statement:
- 33 (i) that the county auditor and county treasurer will apply on
34 or after a date designated in the notice for a court judgment
35 against the tracts or real property for an amount that is not
36 less than the amount set under subdivision (3), and for an
37 order to sell the tracts or real property at public auction to
38 the highest bidder, subject to the right of redemption; and
39 (ii) indicating the date when the period of redemption
40 specified in IC 6-1.1-25-4 will expire.
- 41 (B) A statement that any defense to the application for
42 judgment must be:

- 1 (i) filed with the court; and
2 (ii) served on the county auditor and the county treasurer;
3 before the date designated as the earliest date on which the
4 application for judgment may be filed.
- 5 (C) A statement that the county auditor and the county
6 treasurer are entitled to receive all pleadings, motions,
7 petitions, and other filings related to the defense to the
8 application for judgment.
- 9 (D) A statement that the court will set a date for a hearing at
10 least seven (7) days before the advertised date and that the
11 court will determine any defenses to the application for
12 judgment at the hearing.
- 13 (9) A statement that the sale will be conducted at a place
14 designated in the notice and that the sale will continue until all
15 tracts and real property have been offered for sale.
- 16 (10) A statement that the sale will take place at the times and
17 dates designated in the notice. Whenever the public auction is to
18 be conducted as an electronic sale, the notice must include a
19 statement indicating that the public auction will be conducted as
20 an electronic sale and a description of the procedures that must be
21 followed to participate in the electronic sale.
- 22 (11) A statement that a person redeeming each tract or item after
23 the sale must pay the costs described in IC 6-1.1-25-2(e).
- 24 (12) If a county auditor and county treasurer have entered into an
25 agreement under IC 6-1.1-25-4.7, a statement that the county
26 auditor will perform the duties of the notification and title search
27 under IC 6-1.1-25-4.5 and the notification and petition to the
28 court for the tax deed under IC 6-1.1-25-4.6.
- 29 (13) A statement that, if the tract or item of real property is sold
30 for an amount more than the minimum bid and the property is not
31 redeemed, the owner of record of the tract or item of real property
32 who is divested of ownership at the time the tax deed is issued
33 may have a right to the tax sale surplus.
- 34 (14) If a determination has been made under subsection (d), a
35 statement that tracts or items will be sold together.
- 36 (b) If within sixty (60) days before the date of the tax sale the county
37 incurs costs set under subsection (a)(3)(D) and those costs are not paid,
38 the county auditor shall enter the amount of costs that remain unpaid
39 upon the tax duplicate of the property for which the costs were set. The
40 county treasurer shall mail notice of unpaid costs entered upon a tax
41 duplicate under this subsection to the owner of the property identified
42 in the tax duplicate.

1 (c) The amount of unpaid costs entered upon a tax duplicate under
 2 subsection (b) must be paid no later than the date upon which the next
 3 installment of real estate taxes for the property is due. Unpaid costs
 4 entered upon a tax duplicate under subsection (b) are a lien against the
 5 property described in the tax duplicate, and amounts remaining unpaid
 6 on the date the next installment of real estate taxes is due may be
 7 collected in the same manner that delinquent property taxes are
 8 collected.

9 (d) The county auditor and county treasurer may establish the
 10 condition that a tract or item will be sold and may be redeemed under
 11 this chapter only if the tract or item is sold or redeemed together with
 12 one (1) or more other tracts or items. Property may be sold together
 13 only if the tract or item is owned by the same person.

14 SECTION 245. IC 6-1.1-25-4.1 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4.1. (a) If, as provided
 16 in ~~section 4(f)~~ **section 4(h)** of this chapter, the county auditor does not
 17 issue a deed to the county for property for which a certificate of sale
 18 has been issued to the county under IC 6-1.1-24-9 because the county
 19 executive determines that the property contains hazardous waste or
 20 another environmental hazard for which the cost of abatement or
 21 alleviation will exceed the fair market value of the property, the
 22 property may be transferred consistent with ~~the provisions of this~~
 23 section.

24 (b) A person who desires to obtain title to and eliminate the
 25 hazardous conditions of property containing hazardous waste or
 26 another environmental hazard for which a county holds a certificate of
 27 sale but to which a deed may not be issued to the county under ~~section~~
 28 ~~4(f)~~ **section 4(h)** of this chapter may file a petition with the county
 29 auditor seeking a waiver of the delinquent taxes, special assessments,
 30 interest, penalties, and costs assessed against the property and transfer
 31 of the title to the property to the petitioner. The petition must:

- 32 (1) be on a form prescribed by the state board of accounts and
 33 approved by the department of local government finance;
- 34 (2) state the amount of taxes, special assessments, penalties, and
 35 costs assessed against the property for which a waiver is sought;
- 36 (3) describe the conditions existing on the property that have
 37 prevented the sale or the transfer of title to the county;
- 38 (4) describe the plan of the petitioner for elimination of the
 39 hazardous condition on the property under IC 13-25-5 and the
 40 intended use of the property; and
- 41 (5) be accompanied by a fee established by the county auditor for
 42 completion of a title search and processing.

1 (c) Upon receipt of a petition described in subsection (b), the county
 2 auditor shall review the petition to determine whether the petition is
 3 complete. If the petition is not complete, the county auditor shall return
 4 the petition to the petitioner and describe the defects in the petition.
 5 The petitioner may correct the defects and file the completed petition
 6 with the county auditor. Upon receipt of a completed petition, the
 7 county auditor shall forward a copy of the petition to:

8 (1) the assessor of the township in which the property is located,
 9 **or the county assessor if there is no township assessor for the**
 10 **township;**

11 (2) the owner;

12 (3) all persons who have, as of the date of the filing of the
 13 petition, a substantial interest of public record in the property;

14 (4) the county property tax assessment board of appeals; and

15 (5) the department of local government finance.

16 (d) Upon receipt of a petition described in subsection (b), the county
 17 property tax assessment board of appeals shall, at the county property
 18 tax assessment board of appeals' earliest opportunity, conduct a public
 19 hearing on the petition. The county property tax assessment board of
 20 appeals shall, by mail, give notice of the date, time, and place fixed for
 21 the hearing to:

22 (1) the petitioner;

23 (2) the owner;

24 (3) all persons who have, as of the date the petition was filed, a
 25 substantial interest of public record in the property; and

26 (4) the assessor of the township in which the property is located,
 27 **or the county assessor if there is no township assessor for the**
 28 **township.**

29 In addition, notice of the public hearing on the petition shall be
 30 published one (1) time at least ten (10) days before the hearing in a
 31 newspaper of countywide circulation and posted at the principal office
 32 of the county property tax assessment board of appeals, or at the
 33 building where the meeting is to be held.

34 (e) After the hearing and completion of any additional investigation
 35 of the property or of the petitioner that is considered necessary by the
 36 county property tax assessment board of appeals, the county board shall
 37 give notice, by mail, to the parties listed in subsection (d) of the county
 38 property tax assessment board of appeals' recommendation as to
 39 whether the petition should be granted. The county property tax
 40 assessment board of appeals shall forward to the department of local
 41 government finance a copy of the county property tax assessment board
 42 of appeals' recommendation and a copy of the documents submitted to

1 or collected by the county property tax assessment board of appeals at
2 the public hearing or during the course of the county board of appeals'
3 investigation of the petition.

4 (f) Upon receipt by the department of local government finance of
5 a recommendation by the county property tax assessment board of
6 appeals, the department of local government finance shall review the
7 petition and all other materials submitted by the county property tax
8 assessment board of appeals and determine whether to grant the
9 petition. Notice of the determination by the department of local
10 government finance and the right to seek an appeal of the
11 determination shall be given by mail to:

12 (1) the petitioner;

13 (2) the owner;

14 (3) all persons who have, as of the date the petition was filed, a
15 substantial interest of public record in the property;

16 (4) the assessor of the township in which the property is located,
17 **or the county assessor if there is no township assessor for the**
18 **township;** and

19 (5) the county property tax assessment board of appeals.

20 (g) Any person aggrieved by a determination of the department of
21 local government finance under subsection (f) may file an appeal
22 seeking additional review by the department of local government
23 finance and a public hearing. In order to obtain a review under this
24 subsection, the aggrieved person must file a petition for appeal with the
25 county auditor in the county where the tract or item of real property is
26 located not more than thirty (30) days after issuance of notice of the
27 determination of the department of local government finance. The
28 county auditor shall transmit the petition for appeal to the department
29 of local government finance not more than ten (10) days after the
30 petition is filed.

31 (h) Upon receipt by the department of local government finance of
32 an appeal, the department of local government finance shall set a date,
33 time, and place for a hearing. The department of local government
34 finance shall give notice, by mail, of the date, time, and place fixed for
35 the hearing to:

36 (1) the person filing the appeal;

37 (2) the petitioner;

38 (3) the owner;

39 (4) all persons who have, as of the date the petition was filed, a
40 substantial interest of public record in the property;

41 (5) the assessor of the township in which the property is located,
42 **or the county assessor if there is no township assessor for the**

1 **township;** and

2 (6) the county property tax assessment board of appeals.

3 The department of local government finance shall give the notices at
4 least ten (10) days before the day fixed for the hearing.

5 (i) After the hearing, the department of local government finance
6 shall give the parties listed in subsection (h) notice by mail of the final
7 determination of the department of local government finance.

8 (j) If the department of local government finance decides to:

9 (1) grant the petition submitted under subsection (b) after initial
10 review of the petition under subsection (f) or after an appeal
11 under subsection (h); and

12 (2) waive the taxes, special assessments, interest, penalties, and
13 costs assessed against the property;

14 the department of local government finance shall issue to the county
15 auditor an order directing the removal from the tax duplicate of the
16 taxes, special assessments, interest, penalties, and costs for which the
17 waiver is granted.

18 (k) After:

19 (1) at least thirty (30) days have passed since the issuance of a
20 notice by the department of local government finance to the
21 county property tax assessment board of appeals granting a
22 petition filed under subsection (b), if no appeal has been filed; or

23 (2) not more than thirty (30) days after receipt by the county
24 property tax assessment board of appeals of a notice of a final
25 determination of the department of local government finance
26 granting a petition filed under subsection (b) after an appeal has
27 been filed and heard under subsection (h);

28 the county auditor shall file a verified petition and an application for an
29 order on the petition in the court in which the judgment of sale was
30 entered asking the court to direct the county auditor to issue a tax deed
31 to the real property. The petition shall contain the certificate of sale
32 issued to the county, a copy of the petition filed under subsection (b),
33 and a copy of the notice of the final determination of the department of
34 local government finance directing the county auditor to remove the
35 taxes, interest, penalties, and costs from the tax duplicate. Notice of the
36 filing of the petition and application for an order on the petition shall
37 be given, by mail, to the owner and any person with a substantial
38 interest of public record in the property. A person owning or having an
39 interest in the property may appear to object to the petition.

40 (l) The court shall enter an order directing the county auditor to
41 issue a tax deed to the petitioner under subsection (b) if the court finds
42 that the following conditions exist:

- 1 (1) The time for redemption has expired.
- 2 (2) The property has not been redeemed before the expiration of
- 3 the period of redemption specified in section 4 of this chapter.
- 4 (3) All taxes, special assessments, interest, penalties, and costs
- 5 have been waived by the department of local government finance
- 6 or, to the extent not waived, paid by the petitioner under
- 7 subsection (b).
- 8 (4) All notices required by this section and sections 4.5 and 4.6 of
- 9 this chapter have been given.
- 10 (5) The petitioner under subsection (b) has complied with all the
- 11 provisions of law entitling the petitioner to a tax deed.

12 (m) A tax deed issued under this section is uncontestable except by

13 appeal from the order of the court directing the county auditor to issue

14 the tax deed. The appeal must be filed not later than sixty (60) days

15 after the date of the court's order.

16 SECTION 246. IC 6-1.1-29-2, AS AMENDED BY P.L.224-2007,

17 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

18 UPON PASSAGE]: Sec. 2. ~~(a)~~ The seven (7) members of the county

19 board of tax adjustment shall be appointed before April 15th of each

20 year, and their appointments shall continue in effect until April 15th of

21 the following year. The four (4) freehold members of the county board

22 of tax adjustment may not be, or have been during the year preceding

23 their appointment, an official or employee of a political subdivision.

24 The four (4) freehold members shall be appointed in such a manner

25 that no more than four (4) of the board members are members of the

26 same political party. This subsection expires December 31, 2008.

27 (b) The following apply, notwithstanding any other provision:

28 (1) ~~A member may not be appointed to a county board of tax~~

29 ~~adjustment after December 31, 2008.~~

30 (2) ~~The term of a member of a county board of tax adjustment~~

31 ~~serving on December 31, 2008, expires on December 31, 2008.~~

32 (3) ~~Each county board of tax adjustment is abolished on~~

33 ~~December 31, 2008.~~

34 (c) ~~On or before December 31 of 2008 and each even-numbered~~

35 ~~year thereafter, each person or entity required to make an appointment~~

36 ~~to a county board of tax and capital projects review under section 1.5~~

37 ~~of this chapter shall make the required appointment or appointments of~~

38 ~~members who will represent the person or entity on the county board~~

39 ~~of tax and capital projects review. The appointments take effect~~

40 ~~January 1 of the following odd-numbered year and continue in effect~~

41 ~~until December 31 of the following even-numbered year. If a member~~

42 ~~is to be appointed by one (1) entity, the appointment must be made by~~

1 a majority vote of the fiscal body in official session. If a member is to
 2 be appointed by more than one (1) entity, the appointment must be
 3 made by a majority vote of the total members of the entities taken in
 4 joint session. If:

5 (1) a person or entity fails; or

6 (2) the entities, in the case of a joint appointment, fail;

7 to make a required appointment of a member by December 31 of an
 8 even-numbered year, the county fiscal body shall make the
 9 appointment.

10 (d) This subsection does not apply to a county containing a
 11 consolidated city. At the general election in 2008 and every four (4)
 12 years thereafter, the voters of each county shall under IC 3-11-2-12.8
 13 elect two (2) individuals who are residents of the county as members
 14 of the county board of tax and capital projects review. The term of
 15 office of a member elected under this subsection begins January 1 of
 16 the year following the member's election and ends December 31 of the
 17 fourth year following the member's election. The two (2) members who
 18 are elected for a position on the county board of tax and capital projects
 19 review are determined as follows:

20 (1) The members shall be elected on a nonpartisan basis.

21 (2) Each prospective candidate must file a nomination petition
 22 with the county election board not earlier than one hundred four
 23 (104) days and not later than noon seventy-four (74) days before
 24 the election at which the members are to be elected. The
 25 nomination petition must include the following information:

26 (A) The name of the prospective candidate.

27 (B) The signatures of at least one hundred (100) registered
 28 voters residing in the county.

29 (C) A certification that the prospective candidate meets the
 30 qualifications for candidacy imposed by this chapter.

31 (3) Only eligible voters residing in the county may vote for a
 32 candidate.

33 (4) The two (2) candidates within the county who receive the
 34 greatest number of votes in the county are elected.

35 (e) A member elected under this section may not be, or have been
 36 during the year preceding the member's appointment or election, an
 37 officer or employee of a political subdivision.

38 SECTION 247. IC 6-1.1-29-3, AS AMENDED BY P.L.224-2007,
 39 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 UPON PASSAGE]: Sec. 3. (a) If a vacancy occurs in the membership
 41 of the county board of tax adjustment (before January 1, 2009) or the
 42 county board of tax and capital projects review (after December 31,

1 ~~2008)~~ with respect to an appointment made by a fiscal body, the
 2 vacancy shall be filled in the same manner provided for the original
 3 appointment.

4 ~~(b) If a vacancy occurs after December 31, 2008, in the membership~~
 5 ~~of the county board of tax and capital projects review with respect to~~
 6 ~~a member elected under section 2(d) of this chapter, the county fiscal~~
 7 ~~body shall appoint an individual to fill the vacancy for the remainder~~
 8 ~~of the term.~~

9 SECTION 248. IC 6-1.1-29-4, AS AMENDED BY P.L.224-2007,
 10 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 UPON PASSAGE]: Sec. 4. ~~(a) Except as provided in subsection (b);~~
 12 Each county board of tax adjustment, ~~(before January 1, 2009) or~~
 13 ~~county board of tax and capital projects review (after December 31,~~
 14 ~~2008);~~ except the board for a consolidated city and county and for a
 15 county containing a second class city, shall hold its first meeting of
 16 each year for the purpose of reviewing budgets, tax rates, and levies on
 17 September 22 or on the first business day after September 22, if
 18 September 22 is not a business day. The board for a consolidated city
 19 and county and for a county containing a second class city shall hold
 20 its first meeting of each year for the purpose of reviewing budgets, tax
 21 rates, and levies on the first Wednesday following the adoption of city
 22 and county budget, tax rate, and tax levy ordinances. The board shall
 23 hold the meeting at the office of the county auditor. At the first meeting
 24 of each year, the board shall elect a chairman and a vice-chairman.
 25 After this meeting, the board shall continue to meet from day to day at
 26 any convenient place until its business is completed. However, the
 27 board must ~~except as provided in subsection (b);~~ complete its duties on
 28 or before the date prescribed in IC 6-1.1-17-9(a).

29 ~~(b) This section does not limit the ability of the county board of tax~~
 30 ~~and capital projects review to meet after December 31, 2008, at any~~
 31 ~~time during a year to carry out its duties under IC 6-1.1-29-5.~~

32 SECTION 249. IC 6-1.1-29-5, AS AMENDED BY P.L.224-2007,
 33 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 UPON PASSAGE]: Sec. 5. The county auditor shall serve as clerk of
 35 the county board of tax adjustment. The clerk shall keep a complete
 36 record of all the board's proceedings. The clerk may not vote on matters
 37 before the board. ~~This section expires December 31, 2008.~~

38 SECTION 250. IC 6-1.1-29-6, AS AMENDED BY P.L.224-2007,
 39 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 UPON PASSAGE]: Sec. 6. ~~(a)~~ The four (4) freehold members of the
 41 county board of tax adjustment shall receive compensation on a per
 42 diem basis for each day of actual service. The rate of this compensation

1 is the same as the rate that the freehold members of the county property
 2 tax assessment board of appeals of that county receive. The county
 3 auditor shall keep an attendance record of each meeting of the county
 4 board of tax adjustment. At the close of each annual session, the county
 5 auditor shall certify to the county board of commissioners the number
 6 of days actually served by each freehold member. The county board of
 7 commissioners may not allow claims for service on the county board
 8 of tax adjustment for more days than the number of days certified by
 9 the county auditor. ~~This subsection expires December 31, 2008.~~

10 (b) ~~A member of the county board of tax and capital projects review~~
 11 ~~who is elected under section 4.5 of this chapter shall receive~~
 12 ~~compensation from the county on a per diem basis for each day of~~
 13 ~~actual service on the board. The rate of the compensation is equal to the~~
 14 ~~rate that members of the county property tax assessment board of~~
 15 ~~appeals in the county receive under IC 6-1.1-28-3. The county auditor~~
 16 ~~shall keep an attendance record of each meeting of the county board of~~
 17 ~~tax and capital projects review. The county auditor shall certify to the~~
 18 ~~county executive the number of days actually served by each elected~~
 19 ~~member. The county executive may not allow claims for service on the~~
 20 ~~county board of tax and capital projects review for more days than the~~
 21 ~~number of days certified by the county auditor. Appointed members of~~
 22 ~~the county board of tax and capital projects review are not entitled to~~
 23 ~~per diem compensation.~~

24 SECTION 251. IC 6-1.1-29-7, AS AMENDED BY P.L.224-2007,
 25 SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 UPON PASSAGE]: Sec. 7. A county board of tax adjustment (~~before~~
 27 ~~January 1, 2009)~~ or the county board of tax and capital projects review
 28 (~~after December 31, 2008)~~ may require an official of a political
 29 subdivision of the county to appear before the board. In addition, the
 30 board may require such an official to provide the board with
 31 information which is related to the budget, tax rate, or tax levy of the
 32 political subdivision.

33 SECTION 252. IC 6-1.1-29-8, AS AMENDED BY P.L.224-2007,
 34 SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 UPON PASSAGE]: Sec. 8. A county board of tax adjustment (~~before~~
 36 ~~January 1, 2009)~~ or the county board of tax and capital projects review
 37 (~~after December 31, 2008)~~ may employ an examiner of the state board
 38 of accounts to assist the county board with its duties. If the board
 39 desires to employ an examiner, it shall adopt a resolution which states
 40 the number of days that the examiner is to serve. When the county
 41 board files a copy of the resolution with the chief examiner of the state
 42 board of accounts, the state board of accounts shall assign an examiner

1 to the county board of tax adjustment (~~before January 1, 2009~~) or the
 2 county board of tax and capital projects review (~~after December 31,~~
 3 ~~2008~~) for the number of days stated in the resolution. When an
 4 examiner of the state board of accounts is employed by a county board
 5 of tax adjustment (~~before January 1, 2009~~) or a county board of tax and
 6 capital projects review (~~after December 31, 2008~~) under this section,
 7 the county shall pay the expenses related to the examiner's services in
 8 the same manner that expenses are to be paid under IC 5-11-4-3.

9 SECTION 253. IC 6-1.1-29-9, AS AMENDED BY P.L.224-2007,
 10 SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 UPON PASSAGE]: Sec. 9. (a) ~~This subsection expires December 31,~~
 12 ~~2008~~: A county council may adopt an ordinance to abolish the county
 13 board of tax adjustment. This ordinance must be adopted by July 1 and
 14 may not be rescinded in the year it is adopted. Notwithstanding
 15 IC 6-1.1-17, IC 6-1.1-18, IC 20-45 (**before January 1, 2009**),
 16 IC 20-46, IC 12-19-7 (**before January 1, 2009**), IC 12-19-7.5 (**before**
 17 **January 1, 2009**), IC 36-8-6, IC 36-8-7, IC 36-8-7.5, IC 36-8-11,
 18 IC 36-9-3, IC 36-9-4, and IC 36-9-13, if such an ordinance is adopted,
 19 this section governs the treatment of tax rates, tax levies, and budgets
 20 that would otherwise be reviewed by a county board of tax adjustment
 21 under IC 6-1.1-17.

22 (b) ~~This subsection applies after December 31, 2008~~: Subject to
 23 subsection (c), a county board of tax and capital projects review may
 24 not review or modify tax rates, tax levies, and budgets if the county
 25 council:

26 (1) adopts an ordinance to abolish the county board of tax
 27 adjustment before January 1, 2009; or

28 (2) adopts an ordinance before July 2 of any year to prohibit the
 29 county board of tax and capital projects review from carrying out
 30 such reviews.

31 An ordinance described in this subsection may not be rescinded in the
 32 year it is adopted. Notwithstanding IC 6-1.1-17, IC 6-1.1-18,
 33 IC 8-18-21-13, IC 12-19-7, IC 12-19-7.5, IC 14-30-2-19,
 34 IC 14-30-4-16, IC 14-33-9-1, IC 20-45, IC 20-46, IC 36-7-15.1-26.9,
 35 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,
 36 and IC 36-9-13, if such an ordinance is adopted and has not been
 37 rescinded, this section governs the treatment of tax rates, tax levies, and
 38 budgets that would otherwise be reviewed by a county board of tax and
 39 capital projects review. If an ordinance described in subdivision (1) or
 40 (2) has been adopted in a county and has not been rescinded, the county
 41 board of tax and capital projects review may not review tax rates, tax
 42 levies, and budgets (other than for capital projects) under

1 IC 6-1.1-17-3; IC 6-1.1-17-5; IC 6-1.1-17-5.6; IC 6-1.1-17-6;
 2 IC 6-1.1-17-7; IC 6-1.1-17-9; IC 6-1.1-17-10; IC 6-1.1-17-11;
 3 IC 6-1.1-17-12; IC 6-1.1-17-14; IC 6-1.1-17-15; IC 6-1.1-29-4(a);
 4 IC 8-18-21-13; IC 12-19-7; IC 12-19-7.5; IC 14-30-2-19;
 5 IC 14-30-4-16; IC 14-33-9-1; IC 20-45; IC 20-46; IC 36-7-15.1-26.9;
 6 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; or
 7 IC 36-9-13.

8 (c) (b) The time requirements set forth in IC 6-1.1-17 govern all
 9 filings and notices.

10 (d) (c) If an ordinance described in subsection (a) or (b) is adopted
 11 and has not been rescinded, a tax rate, tax levy, or budget that
 12 otherwise would be reviewed by the county board of tax adjustment
 13 (before January 1, 2009) or the county board of tax and capital projects
 14 review (after December 31, 2008) is considered and must be treated for
 15 all purposes as if the county board of tax adjustment approved the tax
 16 rate, tax levy, or budget. This includes the notice of tax rates that is
 17 required under IC 6-1.1-17-12.

18 (e) This section does not prohibit a county board of tax and capital
 19 projects review from reviewing tax rates, tax levies, and budgets for
 20 informational purposes as necessary to carry out its duties under
 21 IC 6-1.1-29-5.

22 SECTION 254. IC 6-1.1-30-17 IS ADDED TO THE INDIANA
 23 CODE AS A NEW SECTION TO READ AS FOLLOWS
 24 [EFFECTIVE JANUARY 1, 2009]: **Sec. 17. (a) Except as provided**
 25 **in subsection (c) and subject to subsection (d), the department of**
 26 **state revenue and the auditor of state shall, when requested by the**
 27 **department of local government finance, withhold a percentage of**
 28 **the distributions of county adjusted gross income tax distributions**
 29 **under IC 6-3.5-1.1, county option income tax distributions under**
 30 **IC 6-3.5-6, or county economic development income tax**
 31 **distributions under IC 6-3.5-7 that would otherwise be distributed**
 32 **to the county under the schedule in IC 6-3.5-1.1-10,**
 33 **IC 6-3.5-1.1-21.1, IC 6-3.5-6-17, IC 6-3.5-6-17.3, IC 6-3.5-7-16, and**
 34 **IC 6-3.5-7-17.3, if:**

35 (1) local assessing officials have not provided information to
 36 the department of local government finance in a timely
 37 manner under IC 4-10-13-5(b);

38 (2) the county assessor has not transmitted to the department
 39 of local government finance by October 1 of the year in which
 40 the distribution is scheduled to be made the data for all
 41 townships in the county required to be transmitted under
 42 IC 6-1.1-4-25;

- 1 **(3) the county auditor has not paid a bill for services under**
 2 **IC 6-1.1-4-31.5 to the department of local government finance**
 3 **in a timely manner;**
 4 **(4) the county assessor has not forwarded to the department**
 5 **of local government finance in a timely manner sales**
 6 **disclosure form data under IC 6-1.1-5.5-3;**
 7 **(5) the county auditor has not forwarded to the department of**
 8 **local government finance the duplicate copies of all approved**
 9 **exemption applications required to be forwarded by that date**
 10 **under IC 6-1.1-11-8(a);**
 11 **(6) by the date the distribution is scheduled to be made, the**
 12 **county auditor has not sent a certified statement required to**
 13 **be sent by that date under IC 6-1.1-17-1 to the department of**
 14 **local government finance;**
 15 **(7) the county does not maintain a certified computer system**
 16 **that meets the requirements of IC 6-1.1-31.5-3.5;**
 17 **(8) the county auditor has not transmitted the data described**
 18 **in IC 36-2-9-20 to the department of local government finance**
 19 **in the form and on the schedule specified by IC 36-2-9-20;**
 20 **(9) the county has not established a parcel index numbering**
 21 **system under 50 IAC 12-15-1 in a timely manner; or**
 22 **(10) a county official has not provided other information to**
 23 **the department of local government finance in a timely**
 24 **manner as required by the department of local government**
 25 **finance.**

26 **The percentage to be withheld is the percentage determined by the**
 27 **department of local government finance.**

28 **(b) Except as provided in subsection (e), money not distributed**
 29 **for the reasons stated in subsection (a) shall be distributed to the**
 30 **county when the department of local government finance**
 31 **determines that the failure to:**

- 32 **(1) provide information; or**
 33 **(2) pay a bill for services;**

34 **has been corrected.**

35 **(c) The restrictions on distributions under subsection (a) do not**
 36 **apply if the department of local government finance determines**
 37 **that the failure to:**

- 38 **(1) provide information; or**
 39 **(2) pay a bill for services;**

40 **in a timely manner is justified by unusual circumstances.**

41 **(d) The department of local government finance shall give the**
 42 **county auditor at least thirty (30) days notice in writing before the**

1 **department of state revenue or the auditor of state withholds a**
 2 **distribution under subsection (a).**

3 **(e) Money not distributed for the reason stated in subsection**
 4 **(a)(3) may be deposited in the fund established by**
 5 **IC 6-1.1-5.5-4.7(a). Money deposited under this subsection is not**
 6 **subject to distribution under subsection (b).**

7 **(f) This subsection applies to a county that will not receive a**
 8 **distribution under IC 6-3.5-1.1, IC 6-3.5-6, or IC 6-3.5-7. At the**
 9 **request of the department of local government finance, an amount**
 10 **permitted to be withheld under subsection (a) may be withheld**
 11 **from any state revenues that would otherwise be distributed to the**
 12 **county or one (1) or more taxing units in the county.**

13 SECTION 255. IC 6-1.1-31-5 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) Subject to this
 15 article, the rules adopted by the department of local government
 16 finance are the basis for determining the true tax value of tangible
 17 property.

18 ~~(b) Local Assessing officials members of the county property tax~~
 19 ~~assessment board of appeals, and county assessors shall:~~

- 20 (1) comply with the rules, appraisal manuals, bulletins, and
 21 directives adopted by the department of local government finance;
 22 (2) use the property tax forms, property tax returns, and notice
 23 forms prescribed by the department; and
 24 (3) collect and record the data required by the department.

25 ~~(c) In assessing tangible property, the township assessors, members~~
 26 ~~of the county property tax assessment board of appeals, and county~~
 27 ~~assessors assessing officials may consider factors in addition to those~~
 28 ~~prescribed by the department of local government finance if the use of~~
 29 ~~the additional factors is first approved by the department. Each~~
 30 ~~township assessor, of the county property tax assessment board of~~
 31 ~~appeals, and the county assessor assessing official shall indicate on his~~
 32 ~~the official's records for each individual assessment whether:~~

- 33 (1) only the factors contained in the department's rules, forms, and
 34 returns have been considered; or
 35 (2) factors in addition to those contained in the department's rules,
 36 forms, and returns have been considered.

37 SECTION 256. IC 6-1.1-31.5-2, AS AMENDED BY P.L.228-2005,
 38 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2008]: Sec. 2. (a) Subject to section ~~3-5(e)~~ **3.5** of this chapter,
 40 the department shall adopt rules under IC 4-22-2 to prescribe computer
 41 specification standards and for the certification of:

- 42 (1) computer software;

- 1 (2) software providers;
- 2 (3) computer service providers; and
- 3 (4) computer equipment providers.
- 4 (b) The rules of the department shall provide for:
- 5 (1) the effective and efficient administration of assessment laws;
- 6 (2) the prompt updating of assessment data;
- 7 (3) the administration of information contained in the sales
- 8 disclosure form, as required under IC 6-1.1-5.5; and
- 9 (4) other information necessary to carry out the administration of
- 10 the property tax assessment laws.
- 11 (c) After ~~December 31, 1998~~, **June 30, 2008**, subject to section
- 12 ~~3.5(e)~~ **3.5** of this chapter a county:
- 13 (1) may contract only for computer software and with software
- 14 providers, computer service providers, and equipment providers
- 15 that are certified by the department under the rules described in
- 16 subsection (a); **and**
- 17 (2) **may enter into a contract referred to in subdivision (1)**
- 18 **only if the department is a party to the contract.**
- 19 (d) ~~The initial rules under this section must be adopted under~~
- 20 ~~IC 4-22-2 before January 1, 1998.~~
- 21 SECTION 257. IC 6-1.1-31.5-3.5, AS AMENDED BY
- 22 P.L.228-2005, SECTION 26, IS AMENDED TO READ AS
- 23 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3.5. (a) Until the
- 24 system described in subsection (e) is implemented, each county shall
- 25 maintain a state certified computer system that has the capacity to:
- 26 (1) process and maintain assessment records;
- 27 (2) process and maintain standardized property tax forms;
- 28 (3) process and maintain standardized property assessment
- 29 notices;
- 30 (4) maintain complete and accurate assessment records for the
- 31 county; and
- 32 (5) process and compute complete and accurate assessments in
- 33 accordance with Indiana law.
- 34 The county assessor ~~with the recommendation of the township~~
- 35 ~~assessors~~ shall select the computer system. ~~used by township assessors~~
- 36 ~~and the county assessor in the county except in a county with an elected~~
- 37 ~~township assessor in every township. In a county with an elected~~
- 38 ~~township assessor in every township, the elected township assessors~~
- 39 ~~shall select a computer system based on a majority vote of the township~~
- 40 ~~assessors in the county.~~
- 41 (b) All information on a computer system referred to in subsection
- 42 (a) shall be readily accessible to:

- 1 ~~(1) township assessors;~~
 2 ~~(2) the county assessor;~~
 3 ~~(3) (1) the department of local government finance; and~~
 4 ~~(4) members of the county property tax assessment board of~~
 5 ~~appeals.~~

6 **(2) assessing officials.**

7 (c) The certified system referred to in subsection (a) used by the
 8 counties must be:

- 9 (1) compatible with the data export and transmission
 10 requirements in a standard format prescribed by the office of
 11 technology established by IC 4-13.1-2-1 and approved by the
 12 legislative services agency; and
 13 (2) maintained in a manner that ensures prompt and accurate
 14 transfer of data to the department of local government finance and
 15 the legislative services agency.

16 (d) All standardized property forms and notices on the certified
 17 computer system referred to in subsection (a) shall be maintained by
 18 the ~~township assessor and the~~ county assessor in an accessible location
 19 and in a format that is easily understandable for use by persons of the
 20 county.

21 (e) The department shall adopt rules before July 1, 2006, for the
 22 establishment of:

- 23 (1) a uniform and common property tax management system
 24 ~~among~~ **for** all counties that:
 25 (A) includes a combined mass appraisal and county auditor
 26 system integrated with a county treasurer system; and
 27 (B) replaces the computer system referred to in subsection (a);
 28 and
 29 (2) a schedule for implementation of the system referred to in
 30 subdivision (1) structured to result in the implementation of the
 31 system in all counties with respect to an assessment date:
 32 (A) determined by the department; and
 33 (B) specified in the rule.

34 (f) The department shall appoint an advisory committee to assist the
 35 department in the formulation of the rules referred to in subsection (e).
 36 The department shall determine the number of members of the
 37 committee. The committee:

- 38 (1) must include at least:
 39 (A) one (1) township assessor;
 40 (B) one (1) county assessor;
 41 (C) one (1) county auditor; and
 42 (D) one (1) county treasurer; and

1 (2) shall meet at times and locations determined by the
2 department.

3 (g) Each member of the committee appointed under subsection (f)
4 who is not a state employee is not entitled to the minimum salary per
5 diem provided by IC 4-10-11-2.1(b). The member is entitled to
6 reimbursement for traveling expenses as provided under IC 4-13-1-4
7 and other expenses actually incurred in connection with the member's
8 duties as provided in the state policies and procedures established by
9 the Indiana department of administration and approved by the budget
10 agency.

11 (h) Each member of the committee appointed under subsection (f)
12 who is a state employee is entitled to reimbursement for traveling
13 expenses as provided under IC 4-13-1-4 and other expenses actually
14 incurred in connection with the member's duties as provided in the state
15 policies and procedures established by the Indiana department of
16 administration and approved by the budget agency.

17 (i) The department shall report to the budget committee in writing
18 the department's estimate of the cost of implementation of the system
19 referred to in subsection (e).

20 SECTION 258. IC 6-1.1-31.7-1 IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. As used in this
22 chapter, "appraiser" refers to a professional appraiser or a professional
23 appraisal firm that contracts with a ~~township~~ or county under
24 IC 6-1.1-4.

25 SECTION 259. IC 6-1.1-31.7-3 IS AMENDED TO READ AS
26 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) The department
27 shall adopt rules under IC 4-22-2 for the certification and regulation of
28 appraisers.

29 (b) **Subject to subsection (d)**, the rules of the department shall
30 provide for the following:

- 31 (1) Minimum appraiser qualifications.
- 32 (2) Minimum appraiser certification, training, and recertification
33 requirements.
- 34 (3) Sanctions for noncompliance with assessing laws and the rules
35 of the department, including laws and rules that set time
36 requirements for the completion of assessments.
- 37 (4) Appraiser contract requirements.
- 38 (5) Other provisions necessary to carry out the administration of
39 the property tax assessment laws.

40 (c) After December 31, 1998, a county or township may contract
41 only with appraisers that are certified by the department under the rules
42 described in subsection (a).

1 **(d) The rules referred to in subsection (b) that apply to**
 2 **contracts with appraisers entered into after December 31, 2008,**
 3 **must include level two assessor-appraiser certification under**
 4 **IC 6-1.1-35.5 as part of the minimum appraiser qualifications for**
 5 **each appraiser that performs assessments on behalf of the**
 6 **contractor.**

7 SECTION 260. IC 6-1.1-35-1 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. The department of
 9 local government finance shall:

- 10 (1) interpret the property tax laws of this state;
- 11 (2) instruct property tax officials about their taxation and
 12 assessment duties; ~~and ensure that the county assessors, township~~
 13 ~~assessors, and assessing officials are in compliance with section~~
 14 ~~1.1 of this chapter;~~
- 15 (3) see that all property assessments are made in the manner
 16 provided by law;
- 17 **(4) conduct operational audits of the offices of assessing**
 18 **officials to determine if statutory and regulatory assignments**
 19 **are being completed in an effective, efficient, and productive**
 20 **manner; and**
- 21 ~~(4)~~ **(5) develop and maintain a manual for all assessing officials**
 22 **and county assessors concerning:**
- 23 (A) assessment duties and responsibilities of the various state
 24 and local officials;
- 25 (B) assessment procedures and time limits for the completion
 26 of assessment duties;
- 27 (C) changes in state assessment laws; and
- 28 (D) other matters relevant to the assessment duties of
 29 assessing officials, county assessors, and other county
 30 officials.

31 SECTION 261. IC 6-1.1-35-9 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 9. (a) All information
 33 that is related to earnings, income, profits, losses, or expenditures and
 34 that is:

- 35 (1) given by a person to:
- 36 (A) an assessing official;
- 37 ~~(B)~~ **a member of a county property tax assessment board of**
 38 **appeals;**
- 39 ~~(C)~~ **a county assessor;**
- 40 ~~(D)~~ **(B) an employee of a person referred to in clauses (A)**
 41 **through (C); an assessing official; or**
- 42 ~~(E)~~ **(C) an officer or employee of an entity that contracts with**

- 1 a board of county commissioners ~~or~~ a county assessor ~~or an~~
 2 ~~elected township assessor~~ under IC 6-1.1-36-12; or
- 3 (2) acquired by:
- 4 (A) an assessing official;
- 5 ~~(B) a member of a county property tax assessment board of~~
 6 ~~appeals;~~
- 7 ~~(C) a county assessor;~~
- 8 ~~(D) (B) an employee of a person referred to in clauses (A)~~
 9 ~~through (C); an assessing official; or~~
- 10 ~~(E) (C) an officer or employee of an entity that contracts with~~
 11 ~~a board of county commissioners or a county assessor or an~~
 12 ~~elected township assessor~~ under IC 6-1.1-36-12;
- 13 in the performance of the person's duties;
- 14 is confidential. The assessed valuation of tangible property is a matter
 15 of public record and is thus not confidential. Confidential information
 16 may be disclosed only in a manner that is authorized under subsection
 17 (b), (c), or (d).
- 18 (b) Confidential information may be disclosed to:
- 19 (1) an official or employee of:
- 20 (A) this state or another state;
- 21 (B) the United States; or
- 22 (C) an agency or subdivision of this state, another state, or the
 23 United States;
- 24 if the information is required in the performance of the official
 25 duties of the official or employee; or
- 26 (2) an officer or employee of an entity that contracts with a board
 27 of county commissioners ~~or~~ a county assessor ~~or an elected~~
 28 ~~township assessor~~ under IC 6-1.1-36-12 if the information is
 29 required in the performance of the official duties of the officer or
 30 employee.
- 31 (c) The following state agencies, or their authorized representatives,
 32 shall have access to the confidential farm property records and
 33 schedules that are on file in the office of a county ~~or township~~ assessor:
- 34 (1) The Indiana state board of animal health, in order to perform
 35 its duties concerning the discovery and eradication of farm animal
 36 diseases.
- 37 (2) The department of agricultural statistics of Purdue University,
 38 in order to perform its duties concerning the compilation and
 39 dissemination of agricultural statistics. ~~and~~
- 40 (3) Any other state agency that needs the information in order to
 41 perform its duties.
- 42 (d) Confidential information may be disclosed during the course of

1 a judicial proceeding in which the regularity of an assessment is
2 questioned.

3 (e) Confidential information that is disclosed to a person under
4 subsection (b) or (c) retains its confidential status. Thus, that person
5 may disclose the information only in a manner that is authorized under
6 subsection (b), (c), or (d).

7 (f) Notwithstanding any other provision of law:

8 (1) a person who:

9 (A) is an officer or employee of an entity that contracts with a
10 board of county commissioners ~~or~~ a county assessor ~~or an~~
11 ~~elected township assessor~~ under IC 6-1.1-36-12; and

12 (B) obtains confidential information under this section;
13 may not disclose that confidential information to any other
14 person; and

15 (2) a person referred to in subdivision (1) must return all
16 confidential information to the taxpayer not later than fourteen

17 (14) days after the earlier of:

18 (A) the completion of the examination of the taxpayer's
19 personal property return under IC 6-1.1-36-12; or

20 (B) the termination of the contract.

21 SECTION 262. IC 6-1.1-35-11 IS AMENDED TO READ AS
22 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 11. (a) An assessing
23 official ~~member of a county property tax assessment board of appeals;~~
24 ~~a state board member;~~ or an employee of ~~any~~ ~~an~~ assessing official
25 ~~county assessor;~~ or ~~board~~ shall immediately be dismissed from that
26 position if the person discloses in an unauthorized manner any
27 information that is classified as confidential under section 9 of this
28 chapter.

29 (b) If an officer or employee of an entity that contracts with a board
30 of county commissioners ~~or~~ a county assessor ~~or an elected township~~
31 ~~assessor~~ under IC 6-1.1-36-12 discloses in an unauthorized manner any
32 information that is classified as confidential under section 9 of this
33 chapter:

34 (1) the contract between the entity and the board is void as of the
35 date of the disclosure;

36 (2) the entity forfeits all right to payments owed under the
37 contract after the date of disclosure;

38 (3) the entity and its affiliates are barred for three (3) years after
39 the date of disclosure from entering into a contract with a board
40 ~~or~~ a county assessor ~~or an elected township assessor~~ under
41 IC 6-1.1-36-12; and

42 (4) the taxpayer whose information was disclosed has a right of

1 action for triple damages against the entity.

2 SECTION 263. IC 6-1.1-35.2-2 IS AMENDED TO READ AS
 3 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) In any year in
 4 which an assessing official ~~or a county assessor~~ takes office for the first
 5 time, the department of local government finance shall conduct training
 6 sessions determined under the rules adopted by the department under
 7 IC 4-22-2 for ~~these the~~ new assessing officials. ~~and county assessors.~~
 8 ~~These~~ **The** sessions must be held at the locations described in
 9 subsection (b).

10 (b) To ensure that all newly elected or appointed assessing officials
 11 ~~and assessors~~ have an opportunity to attend the training sessions
 12 required by this section, the department of local government finance
 13 shall conduct the training sessions at a minimum of four (4) separate
 14 regional locations. The department shall determine the locations of the
 15 training sessions, but:

- 16 (1) at least one (1) training session must be held in the
 17 northeastern part of Indiana;
 18 (2) at least one (1) training session must be held in the
 19 northwestern part of Indiana;
 20 (3) at least one (1) training session must be held in the
 21 southeastern part of Indiana; and
 22 (4) at least one (1) training session must be held in the
 23 southwestern part of Indiana.

24 The four (4) regional training sessions may not be held in Indianapolis.
 25 However, the department of local government finance may, after the
 26 conclusion of the four (4) training sessions, provide additional training
 27 sessions at locations determined by the department.

28 (c) Any new assessing official ~~or county assessor~~ who attends:

- 29 (1) a required session during the official's ~~or assessor's~~ term of
 30 office; or
 31 (2) training between the date the person is elected to office and
 32 January 1 of the year the person takes office for the first time;
 33 is entitled to receive the per diem per session set by the department of
 34 local government finance by rule adopted under IC 4-22-2 and a
 35 mileage allowance from the county in which the official resides.

36 (d) A person is entitled to a mileage allowance under this section
 37 only for travel between the person's place of work and the training
 38 session nearest to the person's place of work.

39 SECTION 264. IC 6-1.1-35.2-3 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) Each year the
 41 department of local government finance shall conduct the continuing
 42 education sessions required in the rules adopted by the department for

1 all assessing officials ~~county assessors~~, and all ~~members of~~, and
 2 hearing officers for the county property tax assessment board of
 3 appeals. These sessions must be conducted at the locations described
 4 in subsection (b).

5 (b) To ensure that all assessing officials ~~assessors, and members of~~
 6 ~~county property tax assessment boards of appeals and hearing officers~~
 7 have an opportunity to attend the continuing education sessions
 8 required by this section, the department of local government finance
 9 shall conduct the continuing education sessions at a minimum of four
 10 (4) separate regional locations. The department shall determine the
 11 locations of the continuing education sessions, but:

12 (1) at least one (1) continuing education session must be held in
 13 the northeastern part of Indiana;

14 (2) at least one (1) continuing education session must be held in
 15 the northwestern part of Indiana;

16 (3) at least one (1) continuing education session must be held in
 17 the southeastern part of Indiana; and

18 (4) at least one (1) continuing education session must be held in
 19 the southwestern part of Indiana.

20 The four (4) regional continuing education sessions may not be held in
 21 Indianapolis. However, the department of local government finance
 22 may, after the conclusion of the four (4) continuing education sessions,
 23 provide additional continuing education sessions at locations
 24 determined by the department.

25 (c) Any assessing official ~~county assessor~~, or ~~member of~~, and
 26 hearing ~~officers~~ **officer** for the county property tax assessment board
 27 of appeals who attends required sessions is entitled to receive a mileage
 28 allowance and the per diem per session set by the department of local
 29 government finance by rule adopted under IC 4-22-2 from the county
 30 in which the official resides. A person is entitled to a mileage
 31 allowance under this section only for travel between the person's place
 32 of work and the training session nearest to the person's place of work.

33 SECTION 265. IC 6-1.1-35.2-5 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. A county that is
 35 required to make a payment to an assessing official ~~a county assessor~~,
 36 or ~~member of~~, and ~~a hearing officers~~ **officer** for the county property tax
 37 assessment board of appeals under this chapter must make the payment
 38 regardless of an appropriation. The payment may be made from the
 39 county's ~~cumulative~~ reassessment fund.

40 SECTION 266. IC 6-1.1-35.5-7, AS AMENDED BY P.L.219-2007,
 41 SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2008]: Sec. 7. (a) With respect to level one and level two

1 certifications, the department of local government finance shall
 2 establish a fair and reasonable fee for examination and certification
 3 under this chapter. However, the fee does not apply to an ~~elected~~
 4 assessing official, a ~~county assessor~~, a ~~member of~~, and hearing ~~officers~~
 5 **officer** for a county property tax assessment board of appeals, or an
 6 employee of an ~~elected~~ assessing official ~~county assessor~~, or county
 7 property tax assessment board of appeals who is taking the level one
 8 examination or the level two examination for the first time.

9 (b) The assessing official training account is established as an
 10 account within the state general fund. All fees collected by the
 11 department of local government finance shall be deposited in the
 12 account. The account shall be administered by the department of local
 13 government finance and does not revert to the state general fund at the
 14 end of a fiscal year. The department of local government finance may
 15 use money in the account for:

- 16 (1) testing and training of assessing officials, county assessors,
 17 members of a county property tax assessment board of appeals,
 18 and employees of assessing officials, county assessors, or the
 19 county property tax assessment board of appeals; and
- 20 (2) administration of the level three certification program under
 21 section 4.5 of this chapter.

22 SECTION 267. IC 6-1.1-36-3 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) A township
 24 assessor's assessment or a county assessor's assessment of property is
 25 valid even if:

- 26 (1) ~~he the assessor~~ does not complete, or notify the county
 27 auditor of, the assessment by the time prescribed under IC 6-1.1-3
 28 or IC 6-1.1-4;
- 29 (2) there is an irregularity or informality in the manner in which
 30 ~~he the assessor~~ makes the assessment; or
- 31 (3) there is an irregularity or informality in the tax list.

32 An irregularity or informality in the assessment or the tax list may be
 33 corrected at any time.

34 (b) This section does not release a township assessor or county
 35 assessor from any duty to give notice or from any penalty imposed on
 36 ~~him the assessor~~ by law for ~~his the assessor's~~ failure to make ~~his the~~
 37 ~~assessor's~~ return within the time ~~period~~ prescribed in IC 6-1.1-3 or
 38 IC 6-1.1-4.

39 SECTION 268. IC 6-1.1-36-4 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4. (a) An assessing
 41 official a ~~county assessor~~, a ~~member of a county property tax~~
 42 ~~assessment board of appeals~~, or a representative of the department of

1 local government finance may file an affidavit with a circuit court of
2 this state if:

3 (1) the official ~~or board member~~ or a representative ~~of the official~~
4 ~~or board~~ has requested that a person give information or produce
5 books or records; and

6 (2) the person has not complied with the request.

7 The affidavit must state that the person has not complied with the
8 request.

9 (b) When an affidavit is filed under subsection (a), the circuit court
10 shall issue a writ which directs the person to appear at the office of the
11 official or ~~board member~~ **representative** and to give the requested
12 information or produce the requested books or records. The appropriate
13 county sheriff shall serve the writ. A person who disobeys the writ is
14 guilty of contempt of court.

15 (c) If a writ is issued under this section, the cost incurred in filing
16 the affidavit, in the issuance of the writ, and in the service of the writ
17 shall be charged to the person against whom the writ is issued. If a writ
18 is not issued, all costs shall be charged to the county in which the
19 circuit court proceedings are held, and the board of commissioners of
20 that county shall allow a claim for the costs.

21 SECTION 269. IC 6-1.1-36-5 IS AMENDED TO READ AS
22 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. In order to discharge
23 their official duties, the following officials may administer oaths and
24 affirmations:

25 ~~(1) Assessing officials.~~

26 ~~(2) (1) County assessors.~~

27 **(2) Township assessors.**

28 (3) County auditors.

29 (4) Members of a county property tax assessment board of
30 appeals.

31 (5) Members of the Indiana board.

32 SECTION 270. IC 6-1.1-36-7 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) The department
34 of local government finance may cancel any property taxes assessed
35 against real property owned by a county, township, city, or town if a
36 petition requesting that the department cancel the taxes is submitted by
37 the auditor, assessor, and treasurer of the county in which the real
38 property is located.

39 (b) The department of local government finance may cancel any
40 property taxes assessed against real property owned by this state if a
41 petition requesting that the department cancel the taxes is submitted by:

42 (1) the governor; or

1 (2) the chief administrative officer of the state agency which
2 supervises the real property.

3 However, if the petition is submitted by the chief administrative officer
4 of a state agency, the governor must approve the petition.

5 (c) The department of local government finance may compromise
6 the amount of property taxes, together with any interest or penalties on
7 those taxes, assessed against the fixed or distributable property owned
8 by a bankrupt railroad, which is under the jurisdiction of:

9 (1) a federal court under 11 U.S.C. 1163;

10 (2) Chapter X of the Acts of Congress Relating to Bankruptcy (11
11 U.S.C. 701-799); or

12 (3) a comparable bankruptcy law.

13 (d) After making a compromise under subsection (c) and after
14 receiving payment of the compromised amount, the department of local
15 government finance shall distribute to each county treasurer an amount
16 equal to the product of:

17 (1) the compromised amount; multiplied by

18 (2) a fraction, the numerator of which is the total of the particular
19 county's property tax levies against the railroad for the
20 compromised years, and the denominator of which is the total of
21 all property tax levies against the railroad for the compromised
22 years.

23 (e) After making the distribution under subsection (d), the
24 department of local government finance shall direct the auditors of
25 each county to remove from the tax rolls the amount of all property
26 taxes assessed against the bankrupt railroad for the compromised years.

27 (f) The county auditor of each county receiving money under
28 subsection (d) shall allocate that money among the county's taxing
29 districts. The auditor shall allocate to each taxing district an amount
30 equal to the product of:

31 (1) the amount of money received by the county under subsection
32 (d); multiplied by

33 (2) a fraction, the numerator of which is the total of the taxing
34 district's property tax levies against the railroad for the
35 compromised years, and the denominator of which is the total of
36 all property tax levies against the railroad in that county for the
37 compromised years.

38 (g) The money allocated to each taxing district shall be apportioned
39 and distributed among the taxing units of that taxing district in the
40 same manner and at the same time that property taxes are apportioned
41 and distributed.

42 (h) The department of local government finance may, with the

1 approval of the attorney general, compromise the amount of property
 2 taxes, together with any interest or penalties on those taxes, assessed
 3 against property owned by a person that has a case pending under state
 4 or federal bankruptcy law. Property taxes that are compromised under
 5 this section shall be distributed and allocated at the same time and in
 6 the same manner as regularly collected property taxes. The department
 7 of local government finance may compromise property taxes under this
 8 subsection only if:

9 (1) a petition is filed with the department of local government
 10 finance that requests the compromise and ~~that~~ is signed and
 11 approved by the assessor, auditor, and treasurer of each county
 12 and the assessor of each township **(if any)**, that is entitled to
 13 receive any part of the compromised taxes;

14 (2) the compromise significantly advances the time of payment of
 15 the taxes; and

16 (3) the compromise is in the best interest of the state and the
 17 taxing units that are entitled to receive any part of the
 18 compromised taxes.

19 (i) A taxing unit that receives funds under this section is not
 20 required to include the funds in its budget estimate for any budget year
 21 which begins after the budget year in which it receives the funds.

22 (j) A county treasurer, with the consent of the county auditor and the
 23 county assessor, may compromise the amount of property taxes,
 24 interest, or penalties owed in a county by an entity that has a case
 25 pending under Title 11 of the United States Code (Bankruptcy Code)
 26 by accepting a single payment that must be at least seventy-five percent
 27 (75%) of the total amount owed in the county.

28 SECTION 271. IC 6-1.1-36-13 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 13. When a political
 30 subdivision is formed, the auditor of the county in which the political
 31 subdivision is situated shall, at the written request of the legislative
 32 body of the political subdivision, prepare a list of all the lands and lots
 33 within the limits of the political subdivision, and the county auditor
 34 shall deliver the list to the appropriate township assessor, **or the**
 35 **county assessor if there is no township assessor for the township,**
 36 on or before the assessment date which immediately follows the date
 37 of incorporation. The county auditor shall use the records in the
 38 auditor's office in order to compile the list.

39 SECTION 272. IC 6-1.1-37-2 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. ~~A county or~~
 41 ~~township An assessing official member of a county or state board, or~~
 42 ~~employee or a representative of such an official or board the~~

1 **department of local government finance** who:

2 (1) knowingly assesses any property at more or less than what ~~he~~
3 **the official or representative** believes is the proper assessed
4 value of the property;

5 (2) knowingly fails to perform any of the duties imposed on ~~him~~
6 **the official or representative** under the general assessment
7 provisions of this article; or

8 (3) recklessly violates any of the other general assessment
9 provisions of this article;

10 commits a Class A misdemeanor.

11 SECTION 273. IC 6-1.1-37-7 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) If a person fails
13 to file a required personal property return on or before the due date, the
14 county auditor shall add a penalty of twenty-five dollars (\$25) to the
15 person's next property tax installment. The county auditor shall also
16 add an additional penalty to the taxes payable by the person if ~~he~~ **the**
17 **person** fails to file the personal property return within thirty (30) days
18 after the due date. The amount of the additional penalty is twenty
19 percent (20%) of the taxes finally determined to be due with respect to
20 the personal property which should have been reported on the return.

21 (b) For purposes of this section, a personal property return is not due
22 until the expiration of any extension period granted by the township **or**
23 **county** assessor under IC 6-1.1-3-7(b).

24 (c) The penalties prescribed under this section do not apply to an
25 individual or ~~his~~ **the individual's** dependents if ~~he:~~ **the individual:**

26 (1) is in the military or naval forces of the United States on the
27 assessment date; and

28 (2) is covered by the federal Soldiers' and Sailors' Civil Relief
29 Act.

30 (d) If a person subject to IC 6-1.1-3-7(d) fails to include on a
31 personal property return the information, if any, that the department of
32 local government finance requires under IC 6-1.1-3-9 or IC 6-1.1-5-13,
33 the county auditor shall add a penalty to the property tax installment
34 next due for the return. The amount of the penalty is twenty-five dollars
35 (\$25).

36 (e) If the total assessed value that a person reports on a personal
37 property return is less than the total assessed value that the person is
38 required by law to report and if the amount of the undervaluation
39 exceeds five percent (5%) of the value that should have been reported
40 on the return, then the county auditor shall add a penalty of twenty
41 percent (20%) of the additional taxes finally determined to be due as
42 a result of the undervaluation. The penalty shall be added to the

1 property tax installment next due for the return on which the property
 2 was undervalued. If a person has complied with all of the requirements
 3 for claiming a deduction, an exemption, or an adjustment for abnormal
 4 obsolescence, then the increase in assessed value that results from a
 5 denial of the deduction, exemption, or adjustment for abnormal
 6 obsolescence is not considered to result from an undervaluation for
 7 purposes of this subsection.

8 (f) A penalty is due with an installment under subsection (a), (d), or
 9 (e) whether or not an appeal is filed under IC 6-1.1-15-5 with respect
 10 to the tax due on that installment.

11 SECTION 274. IC 6-1.1-37-7.5 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7.5. A person who fails
 13 to provide, within forty-five (45) days after the filing deadline,
 14 evidence of the filing of a personal property return to the **township**
 15 **assessor of the township in which the owner resides, or the county**
 16 **assessor**, as required under IC 6-1.1-3-1(d), shall pay to the **township**
 17 **in which the owner resides, county** a penalty equal to ten percent
 18 (10%) of the tax liability.

19 SECTION 275. IC 6-1.1-37-8 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. A township assessor,
 21 **or the county assessor if there is no township assessor for the**
 22 **township**, shall inform the county auditor of any vending machine
 23 which does not, as required under ~~IC 6-1.1-3-8~~, **IC 6-1.1-3-8**, have an
 24 identification device on its face. The county auditor shall then add a
 25 one dollar ~~(\$1.00)~~ **(\$1)** penalty to the next property tax installment of
 26 the person on whose premises the machine is located.

27 SECTION 276. IC 6-1.1-37-10.7, AS ADDED BY P.L.67-2006,
 28 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2008]: Sec. 10.7. (a) For purposes of this section, "immediate
 30 family member of the taxpayer" means an individual who:

- 31 (1) is the spouse, child, stepchild, parent, or stepparent of the
 32 taxpayer, including adoptive relationships; and
- 33 (2) resides in the taxpayer's home.

34 (b) The county treasurer shall do the following:

- 35 (1) Waive the penalty imposed under section 10(a) of this chapter
 36 if the taxpayer or the taxpayer's representative:
 - 37 (A) petitions the county treasurer to waive the penalty not later
 38 than thirty (30) days after the due date of the installment
 39 subject to the penalty; and
 - 40 (B) files with the petition written proof that during the seven
 41 (7) day period ending on the installment due date the taxpayer
 42 or an immediate family member of the taxpayer died.

1 (2) Give written notice to the taxpayer or the taxpayer's
 2 representative by mail of the treasurer's determination on the
 3 petition not later than thirty (30) days after the petition is filed
 4 with the treasurer.

5 (c) The department of local government finance shall prescribe:

6 (1) the form of the petition; and

7 (2) the type of written proof;

8 required under subsection (b).

9 (d) A taxpayer or a taxpayer's representative may appeal a
 10 determination of the county treasurer under subsection (b) to deny a
 11 penalty waiver by ~~requesting filing a notice~~ in writing a ~~preliminary~~
 12 ~~conference~~ with the treasurer not more than forty-five (45) days after
 13 the treasurer gives the taxpayer or the taxpayer's representative notice
 14 of the determination. An appeal initiated under this subsection is
 15 processed and determined in the same manner that an appeal is
 16 processed and determined under IC 6-1.1-15.

17 SECTION 277. IC 6-1.1-39-5, AS AMENDED BY P.L.154-2006,
 18 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 JANUARY 1, 2009]: Sec. 5. (a) A declaratory ordinance adopted under
 20 section 2 of this chapter and confirmed under section 3 of this chapter
 21 must include a provision with respect to the allocation and distribution
 22 of property taxes for the purposes and in the manner provided in this
 23 section. The allocation provision must apply to the entire economic
 24 development district. The allocation provisions must require that any
 25 property taxes subsequently levied by or for the benefit of any public
 26 body entitled to a distribution of property taxes on taxable property in
 27 the economic development district be allocated and distributed as
 28 follows:

29 (1) Except as otherwise provided in this section, the proceeds of
 30 the taxes attributable to the lesser of:

31 (A) the assessed value of the property for the assessment date
 32 with respect to which the allocation and distribution is made;

33 or

34 (B) the base assessed value;

35 shall be allocated to and, when collected, paid into the funds of
 36 the respective taxing units. However, if the effective date of the
 37 allocation provision of a declaratory ordinance is after March 1,
 38 1985, and before January 1, 1986, and if an improvement to
 39 property was partially completed on March 1, 1985, the unit may
 40 provide in the declaratory ordinance that the taxes attributable to
 41 the assessed value of the property as finally determined for March
 42 1, 1984, shall be allocated to and, when collected, paid into the

- 1 funds of the respective taxing units.
- 2 (2) Except as otherwise provided in this section, part or all of the
 3 property tax proceeds in excess of those described in subdivision
 4 (1), as specified in the declaratory ordinance, shall be allocated to
 5 the unit for the economic development district and, when
 6 collected, paid into a special fund established by the unit for that
 7 economic development district that may be used only to pay the
 8 principal of and interest on obligations owed by the unit under
 9 IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of
 10 industrial development programs in, or serving, that economic
 11 development district. The amount not paid into the special fund
 12 shall be paid to the respective units in the manner prescribed by
 13 subdivision (1).
- 14 (3) When the money in the fund is sufficient to pay all
 15 outstanding principal of and interest (to the earliest date on which
 16 the obligations can be redeemed) on obligations owed by the unit
 17 under IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing
 18 of industrial development programs in, or serving, that economic
 19 development district, money in the special fund in excess of that
 20 amount shall be paid to the respective taxing units in the manner
 21 prescribed by subdivision (1).
- 22 (b) Property tax proceeds allocable to the economic development
 23 district under subsection (a)(2) must, subject to subsection (a)(3), be
 24 irrevocably pledged by the unit for payment as set forth in subsection
 25 (a)(2).
- 26 (c) For the purpose of allocating taxes levied by or for any taxing
 27 unit or units, the assessed value of taxable property in a territory in the
 28 economic development district that is annexed by any taxing unit after
 29 the effective date of the allocation provision of the declaratory
 30 ordinance is the lesser of:
- 31 (1) the assessed value of the property for the assessment date with
 32 respect to which the allocation and distribution is made; or
 33 (2) the base assessed value.
- 34 (d) Notwithstanding any other law, each assessor shall, upon
 35 petition of the fiscal body, reassess the taxable property situated upon
 36 or in, or added to, the economic development district effective on the
 37 next assessment date after the petition.
- 38 (e) Notwithstanding any other law, the assessed value of all taxable
 39 property in the economic development district, for purposes of tax
 40 limitation, property tax replacement, ~~(except as provided in~~
 41 ~~IC 6-1.1-21-3(c); IC 6-1.1-21-4(a)(3); and IC 6-1.1-21-5(c));~~ and
 42 formulation of the budget, tax rate, and tax levy for each political

1 subdivision in which the property is located is the lesser of:

- 2 (1) the assessed value of the property as valued without regard to
 3 this section; or
 4 (2) the base assessed value.

5 (f) The state board of accounts and department of local government
 6 finance shall make the rules and prescribe the forms and procedures
 7 that they consider expedient for the implementation of this chapter.
 8 After each general reassessment under IC 6-1.1-4, the department of
 9 local government finance shall adjust the base assessed value one (1)
 10 time to neutralize any effect of the general reassessment on the
 11 property tax proceeds allocated to the district under this section. After
 12 each annual adjustment under IC 6-1.1-4-4.5, the department of local
 13 government finance shall adjust the base assessed value to neutralize
 14 any effect of the annual adjustment on the property tax proceeds
 15 allocated to the district under this section. However, the adjustments
 16 under this subsection may not include the effect of property tax
 17 abatements under IC 6-1.1-12.1.

18 (g) As used in this section, "property taxes" means:

- 19 (1) taxes imposed under this article on real property; and
 20 (2) any part of the taxes imposed under this article on depreciable
 21 personal property that the unit has by ordinance allocated to the
 22 economic development district. However, the ordinance may not
 23 limit the allocation to taxes on depreciable personal property with
 24 any particular useful life or lives.

25 If a unit had, by ordinance adopted before May 8, 1987, allocated to an
 26 economic development district property taxes imposed under IC 6-1.1
 27 on depreciable personal property that has a useful life in excess of eight
 28 (8) years, the ordinance continues in effect until an ordinance is
 29 adopted by the unit under subdivision (2).

30 (h) As used in this section, "base assessed value" means:

- 31 (1) the net assessed value of all the property as finally determined
 32 for the assessment date immediately preceding the effective date
 33 of the allocation provision of the declaratory resolution, as
 34 adjusted under subsection (f); plus
 35 (2) to the extent that it is not included in subdivision (1), the net
 36 assessed value of property that is assessed as residential property
 37 under the rules of the department of local government finance, as
 38 finally determined for any assessment date after the effective date
 39 of the allocation provision.

40 Subdivision (2) applies only to economic development districts
 41 established after June 30, 1997, and to additional areas established
 42 after June 30, 1997.

1 SECTION 278. IC 6-1.1-39-6, AS AMENDED BY P.L.219-2007,
 2 SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JANUARY 1, 2009]: Sec. 6. (a) An economic development district
 4 may be enlarged by the fiscal body by following the same procedure for
 5 the creation of an economic development district specified in this
 6 chapter. Property taxes that are attributable to the additional area and
 7 allocable to the economic development district are not eligible for the
 8 property tax replacement credit provided by IC 6-1.1-21-5. However,
 9 subject to subsection (c) and except as provided in subsection (f), each
 10 taxpayer in an additional area is entitled to an additional credit for
 11 taxes (as defined in IC 6-1.1-21-2) that under IC 6-1.1-22-9 are due and
 12 payable in that year. Except as provided in subsection (f), one-half
 13 (1/2) of the credit shall be applied to each installment of taxes (as
 14 defined in IC 6-1.1-21-2). This credit equals the amount determined
 15 under the following STEPS for each taxpayer in a taxing district in a
 16 county that contains all or part of the additional area:

17 STEP ONE: Determine that part of the sum of the amounts under
 18 IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2) that is attributable
 19 to the taxing district.

20 STEP TWO: Divide:

21 (A) that part of the county's eligible property tax replacement
 22 amount (as defined in IC 6-1.1-21-2) for that year as
 23 determined under IC 6-1.1-21-4 that is attributable to the
 24 taxing district; by

25 (B) the STEP ONE sum.

26 STEP THREE: Multiply:

27 (A) the STEP TWO quotient; times

28 (B) the total amount of the taxpayer's taxes (as defined in
 29 IC 6-1.1-21-2) levied in the taxing district that would have
 30 been allocated to a special fund under section 5 of this chapter
 31 had the additional credit described in this section not been
 32 given.

33 The additional credit reduces the amount of proceeds allocated to the
 34 economic development district and paid into a special fund under
 35 section 5(a) of this chapter:

36 (b) If the additional credit under subsection (a) is not reduced under
 37 subsection (c) or (d), the credit for property tax replacement under
 38 IC 6-1.1-21-5 and the additional credit under subsection (a) shall be
 39 computed on an aggregate basis for all taxpayers in a taxing district
 40 that contains all or part of an additional area. The credit for property
 41 tax replacement under IC 6-1.1-21-5 and the additional credit under
 42 subsection (a) shall be combined on the tax statements sent to each

1 taxpayer:

2 (c) The county fiscal body may, by ordinance, provide that the
3 additional credit described in subsection (a):

4 (1) does not apply in a specified additional area; or

5 (2) is to be reduced by a uniform percentage for all taxpayers in
6 a specified additional area.

7 (d) Whenever the county fiscal body determines that granting the
8 full additional credit under subsection (a) would adversely affect the
9 interests of the holders of bonds or other contractual obligations that
10 are payable from allocated tax proceeds in that economic development
11 district in a way that would create a reasonable expectation that those
12 bonds or other contractual obligations would not be paid when due; the
13 county fiscal body must adopt an ordinance under subsection (c) to
14 deny the additional credit or reduce the additional credit to a level that
15 creates a reasonable expectation that the bonds or other obligations will
16 be paid when due. An ordinance adopted under subsection (c) denies
17 or reduces the additional credit for taxes (as defined in IC 6-1.1-21-2)
18 first due and payable in any year following the year in which the
19 ordinance is adopted.

20 (e) An ordinance adopted under subsection (c) remains in effect
21 until the ordinance is rescinded by the body that originally adopted the
22 ordinance. However, an ordinance may not be rescinded if the
23 rescission would adversely affect the interests of the holders of bonds
24 or other obligations that are payable from allocated tax proceeds in that
25 economic development district in a way that would create a reasonable
26 expectation that the principal of or interest on the bonds or other
27 obligations would not be paid when due. If an ordinance is rescinded
28 and no other ordinance is adopted, the additional credit described in
29 subsection (a) applies to taxes (as defined in IC 6-1.1-21-2) first due
30 and payable in each year following the year in which the resolution is
31 rescinded.

32 (f) This subsection applies to an additional area only to the extent
33 that the net assessed value of property that is assessed as residential
34 property under the rules of the department of local government finance
35 is not included in the base assessed value. If property tax installments
36 with respect to a homestead (as defined in IC 6-1.1-20-9-1) are due in
37 installments established by the department of local government finance
38 under IC 6-1.1-22-9.5; each taxpayer subject to those installments in an
39 additional area is entitled to an additional credit under subsection (a)
40 for the taxes (as defined in IC 6-1.1-21-2) due in installments. The
41 credit shall be applied in the same proportion to each installment of
42 taxes (as defined in IC 6-1.1-21-2).

1 SECTION 279. IC 6-1.1-39-9, AS AMENDED BY P.L.4-2005,
 2 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2008]: Sec. 9. (a) The fiscal body of a unit may by ordinance
 4 authorize the issuance of obligations to the department of commerce
 5 under IC 4-4-8 (before its repeal) or to the Indiana economic
 6 development corporation under IC 5-28-9 payable solely from taxes
 7 allocated under section 5 of this chapter. Any obligations issued and
 8 payable from taxes allocated under section 5 of this chapter are not
 9 general obligations of the unit that established the economic
 10 development district under this chapter.

11 (b) The economic development district created by a unit under this
 12 chapter is a special taxing district authorized by the general assembly
 13 to enable the unit to provide special benefits to taxpayers in the
 14 economic development district by providing local public improvements
 15 that are of public use and benefit.

16 (c) The ordinance of a unit authorizing the issuance of obligations
 17 must contain a finding of the fiscal body that the proposed industrial
 18 development program:

- 19 (1) constitutes a local public improvement;
- 20 (2) provides special benefits to property owners in the district;
- 21 and
- 22 (3) will be of public use and benefit.

23 (d) Proceeds of obligations issued under this section, IC 4-4-8
 24 (before its repeal), and IC 5-28-9 may be used to pay for the following:

- 25 (1) The cost of local public improvements.
- 26 (2) Interest on the obligations for the period of construction of the
 27 local public improvements plus one (1) year after completion of
 28 construction.
- 29 (3) Reasonable debt service reserves.
- 30 (4) Costs of issuance of the obligations.
- 31 (5) Any other reasonable and necessary expenses related to
 32 issuance of the obligations.

33 ~~(e) Notwithstanding any other law, IC 6-1.1-20 does not apply to~~
 34 ~~obligations payable solely from tax proceeds allocated under section 5~~
 35 ~~of this chapter.~~

36 SECTION 280. IC 6-1.1-40-9 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:
 38 Sec. 9. (a) Before a person acquires new manufacturing equipment for
 39 which the person wishes to claim a deduction under this chapter, the
 40 person must submit to the commission a statement of benefits, in a
 41 form prescribed by the department of local government finance. The
 42 statement of benefits must include the following information:

1 (1) A description of the new manufacturing equipment ~~and~~
2 ~~inventory~~ that the person proposes to acquire.

3 (2) An estimate of the number of individuals ~~that who~~ will be
4 employed or whose employment will be retained by the person as
5 a result of the installation of the new manufacturing equipment
6 ~~and acquisition of inventory~~ and an estimate of the annual salaries
7 of these individuals.

8 (3) An estimate of the cost of the new manufacturing equipment.
9 ~~and inventory.~~

10 (b) The statement of benefits may contain any other information
11 required by the commission. If the person is requesting or will be
12 requesting the designation of a district, the statement of benefits must
13 be submitted at the same time as the request for designation is
14 submitted.

15 (c) The commission shall review the statement of benefits if
16 required under subsection (b). The commission shall make findings
17 determining whether the estimate of:

18 (1) the number of individuals ~~that who~~ will be employed or whose
19 employment will be retained;

20 (2) the annual salaries of those individuals;

21 (3) the value of the new manufacturing equipment; ~~and inventory;~~
22 and

23 (4) any other benefits about which the commission requires
24 information;

25 are benefits that can be reasonably expected to result from the
26 installation of the new manufacturing equipment. ~~and acquisition of~~
27 ~~inventory.~~

28 SECTION 281. IC 6-1.1-40-10, AS AMENDED BY P.L.219-2007,
29 SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 10. (a) Subject to
31 subsection ~~(e)~~, **(d)**, an owner of new manufacturing equipment ~~or~~
32 ~~inventory~~, ~~or both~~, whose statement of benefits is approved is entitled
33 to a deduction from the assessed value of that equipment ~~and inventory~~
34 for a period of ten (10) years. Except as provided in subsections **(b)**
35 ~~and (c)~~, ~~and (d)~~, and subject to subsection ~~(e)~~ **(d)** and section 14 of this
36 chapter, for the first five (5) years, the amount of the deduction for new
37 manufacturing equipment that an owner is entitled to for a particular
38 year equals the assessed value of the new manufacturing equipment.
39 Subject to subsection ~~(e)~~ **(d)** and section 14 of this chapter, for the sixth
40 through the tenth year, the amount of the deduction equals the product
41 of:

42 (1) the assessed value of the new manufacturing equipment;

1 multiplied by

2 (2) the percentage prescribed in the following table:

3 YEAR OF DEDUCTION	PERCENTAGE
4 6th	100%
5 7th	95%
6 8th	80%
7 9th	65%
8 10th	50%
9 11th and thereafter	0%

10 ~~(b)~~ Subject to section 14 of this chapter, for the first year the amount
 11 of the deduction for inventory equals the assessed value of the
 12 inventory. Subject to section 14 of this chapter, for the next nine ~~(9)~~
 13 years, the amount of the deduction equals:

14 ~~(1)~~ the assessed value of the inventory for that year, multiplied by
 15 ~~(2)~~ the owner's export sales ratio for the previous year, as certified
 16 by the department of state revenue under IC 6-3-2-13.

17 ~~(c)~~ **(b)** A deduction under this section is not allowed in the first year
 18 the deduction is claimed for new manufacturing equipment to the
 19 extent that it would cause the assessed value of all of the personal
 20 property of the owner in the taxing district in which the equipment is
 21 located to be less than the assessed value of all of the personal property
 22 of the owner in that taxing district in the immediately preceding year.

23 ~~(d)~~ **(c)** If a deduction is not fully allowed under subsection ~~(c)~~ **(b)** in
 24 the first year the deduction is claimed, then the percentages specified
 25 in subsection (a) apply in the subsequent years to the amount of
 26 deduction that was allowed in the first year.

27 ~~(e)~~ **(d)** For purposes of subsection (a), the assessed value of new
 28 manufacturing equipment that is part of an owner's assessable
 29 depreciable personal property in a single taxing district subject to the
 30 valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 is the product
 31 of:

32 (1) the assessed value of the equipment determined without
 33 regard to the valuation limitation in 50 IAC 4.2-4-9 or 50
 34 IAC 5.1-6-9; multiplied by

35 (2) the quotient of:

36 (A) the amount of the valuation limitation determined under
 37 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 for all of the owner's
 38 depreciable personal property in the taxing district; divided by

39 (B) the total true tax value of all of the owner's depreciable
 40 personal property in the taxing district that is subject to the
 41 valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9
 42 determined:

- 1 (i) under the depreciation schedules in the rules of the
 2 department of local government finance before any
 3 adjustment for abnormal obsolescence; and
 4 (ii) without regard to the valuation limitation in 50
 5 IAC 4.2-4-9 or 50 IAC 5.1-6-9.

6 SECTION 282. IC 6-1.1-40-11 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:

8 Sec. 11. (a) A person that desires to obtain the deduction provided by
 9 section 10 of this chapter must file a certified deduction application, on
 10 forms prescribed by the department of local government finance, with:

- 11 (1) the auditor of the county in which the new manufacturing
 12 equipment ~~and inventory~~ is located; and
 13 (2) the department of local government finance.

14 A person that timely files a personal property return under
 15 IC 6-1.1-3-7(a) for the year in which the new manufacturing equipment
 16 is installed ~~or the inventory is subject to assessment~~ must file the
 17 application between March 1 and May 15 of that year.

18 (b) The application required by this section must contain the
 19 following information:

- 20 (1) The name of the owner of the new manufacturing equipment.
 21 ~~and inventory.~~
 22 (2) A description of the new manufacturing equipment. ~~and~~
 23 ~~inventory.~~
 24 (3) Proof of the date the new manufacturing equipment was
 25 installed.
 26 (4) The amount of the deduction claimed for the first year of the
 27 deduction.

28 (c) A deduction application must be filed under this section in the
 29 year in which the new manufacturing equipment is installed ~~or the~~
 30 ~~inventory is subject to assessment~~ and in each of the immediately
 31 succeeding nine (9) years.

32 (d) The department of local government finance shall review and
 33 verify the correctness of each application and shall notify the county
 34 auditor of the county in which the property is located that the
 35 application is approved or denied or that the amount of the deduction
 36 is altered. Upon notification of approval of the application or of
 37 alteration of the amount of the deduction, the county auditor shall make
 38 the deduction.

39 (e) If the ownership of new manufacturing equipment changes, the
 40 deduction provided under section 10 of this chapter continues to apply
 41 to that equipment if the new owner:

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

1 standards established under section 7(c) of this chapter; and

2 (2) files the applications required by this section.

3 (f) The amount of the deduction is:

4 (1) the percentage under section 10 of this chapter that would
5 have applied if the ownership of the property had not changed;
6 multiplied by

7 (2) the assessed value of the equipment for the year the deduction
8 is claimed by the new owner.

9 SECTION 283. IC 6-1.1-42-17 IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:

11 Sec. 17. (a) A person may apply for an assessed valuation deduction
12 for:

13 (1) real property; and

14 (2) personal property; ~~other than inventory; (as defined in~~
15 ~~IC 6-1.1-3-11);~~

16 located in an area designated as a brownfield revitalization zone.

17 (b) An application for a deduction for an improvement to a
18 brownfield revitalization zone or personal property located in a
19 brownfield revitalization area must:

20 (1) be submitted to the designating body before the date that the
21 improvement is initiated or, if the deduction is for personal
22 property, the property is brought into the area;

23 (2) contain sufficient information for the designating body to
24 approve the deduction; and

25 (3) be submitted in the form prescribed by the department of local
26 government finance.

27 SECTION 284. IC 6-1.1-42-27 IS AMENDED TO READ AS
28 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 27. (a) A property

29 owner who desires to obtain the deduction provided by section 24 of
30 this chapter must file a certified deduction application, on forms
31 prescribed by the department of local government finance, with the
32 auditor of the county in which the property is located. Except as
33 otherwise provided in subsection (b) or (e), the deduction application
34 must be filed before May 10 of the year in which the addition to
35 assessed valuation is made.

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

42 (c) The certified deduction application required by this section must

1 contain the following information:

- 2 (1) The name of each owner of the property.
- 3 (2) A certificate of completion of a voluntary remediation under
4 IC 13-25-5-16.
- 5 (3) Proof that each owner who is applying for the deduction:
- 6 (A) has never had an ownership interest in an entity that
7 contributed; and
- 8 (B) has not contributed;
9 a contaminant (as defined in IC 13-11-2-42) that is the subject of
10 the voluntary remediation, as determined under the written
11 standards adopted by the department of environmental
12 management.
- 13 (4) Proof that the deduction was approved by the appropriate
14 designating body.
- 15 (5) A description of the property for which a deduction is claimed
16 in sufficient detail to afford identification.
- 17 (6) The assessed value of the improvements before remediation
18 and redevelopment.
- 19 (7) The increase in the assessed value of improvements resulting
20 from remediation and redevelopment.
- 21 (8) The amount of the deduction claimed for the first year of the
22 deduction.
- 23 (d) A certified deduction application filed under subsection (a) or
24 (b) is applicable for the year in which the addition to assessed value or
25 assessment of property is made and each subsequent year to which the
26 deduction applies under the resolution adopted under section 24 of this
27 chapter.
- 28 (e) A property owner who desires to obtain the deduction provided
29 by section 24 of this chapter but who has failed to file a deduction
30 application within the dates prescribed in subsection (a) or (b) may file
31 a deduction application between March 1 and May 10 of a subsequent
32 year which is applicable for the year filed and the subsequent years
33 without any additional certified deduction application being filed for
34 the amounts of the deduction which would be applicable to such years
35 under this chapter if such a deduction application had been filed in
36 accordance with subsection (a) or (b).
- 37 (f) On verification of the correctness of a certified deduction
38 application by the assessor of the township in which the property is
39 located, **or the county assessor if there is no township assessor for**
40 **the township**, the county auditor shall, if the property is covered by a
41 resolution adopted under section 24 of this chapter, make the
42 appropriate deduction.

1 (g) The amount and period of the deduction provided for property
 2 by section 24 of this chapter are not affected by a change in the
 3 ownership of the property if the new owner of the property:

4 (1) is a person that:

5 (A) has never had an ownership interest in an entity that
 6 contributed; and

7 (B) has not contributed;

8 a contaminant (as defined in IC 13-11-2-42) that is the subject of
 9 the voluntary remediation, as determined under the written
 10 standards adopted by the department of environmental
 11 management;

12 (2) continues to use the property in compliance with any
 13 standards established under sections 7 and 23 of this chapter; and

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

15 (h) The township assessor, **or the county assessor if there is no**
 16 **township assessor for the township**, shall include a notice of the
 17 deadlines for filing a deduction application under subsections (a) and
 18 (b) with each notice to a property owner of an addition to assessed
 19 value or of a new assessment.

20 SECTION 285. IC 6-1.1-45-9, AS AMENDED BY P.L.211-2007,
 21 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2008]: Sec. 9. (a) Subject to subsection (c), a taxpayer that
 23 makes a qualified investment is entitled to a deduction from the
 24 assessed value of the taxpayer's enterprise zone property located at the
 25 enterprise zone location for which the taxpayer made the qualified
 26 investment. The amount of the deduction is equal to the remainder of:

27 (1) the total amount of the assessed value of the taxpayer's
 28 enterprise zone property assessed at the enterprise zone location
 29 on a particular assessment date; minus

30 (2) the total amount of the base year assessed value for the
 31 enterprise zone location.

32 (b) To receive the deduction allowed under subsection (a) for a
 33 particular year, a taxpayer must comply with the conditions set forth in
 34 this chapter.

35 (c) A taxpayer that makes a qualified investment in an enterprise
 36 zone established under IC 5-28-15-11 that is under the jurisdiction of
 37 a military base reuse authority board created under IC 36-7-14.5 or
 38 IC 36-7-30-3 is entitled to a deduction under this section only if the
 39 deduction is approved by the **legislative body of the unit that**
 40 **established the** military base reuse authority board.

41 (d) Except as provided in subsection (c), a taxpayer that makes a
 42 qualified investment at an enterprise zone location that is located

1 within an allocation area, as defined by ~~IC 12-19-1.5-1,~~
 2 **IC 6-1.1-21.2-3**, is entitled to a deduction under this section only if the
 3 deduction is approved by the: ~~governing body of the allocation area.~~

4 **(1) fiscal body of the unit, in the case of an allocation area**
 5 **established under IC 6-1.1-39;**

6 **(2) legislative body of the unit described in IC 8-22-3.5-1, in**
 7 **the case of an allocation area located in an airport**
 8 **development zone;**

9 **(3) legislative body of the unit that established the department**
 10 **of redevelopment, in the case of an allocation area established**
 11 **under IC 36-7-14;**

12 **(4) legislative body of the unit that established the**
 13 **redevelopment authority, in the case of an allocation area**
 14 **established under IC 36-7-14.5;**

15 **(5) legislative body of the consolidated city or excluded city**
 16 **that approved the establishment of the allocation area, in the**
 17 **case of an allocation area established under IC 36-7-15.1; or**

18 **(6) legislative body of the unit that established the reuse**
 19 **authority, in the case of an allocation area established under**
 20 **IC 36-7-30.**

21 SECTION 286. IC 6-1.1-45.5-3, AS ADDED BY P.L.208-2005,
 22 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2008]: Sec. 3. On receipt of a petition under section 2 of this
 24 chapter, the county auditor shall determine whether the petition is
 25 complete. If the petition is not complete, the county auditor shall return
 26 the petition to the petitioner and describe the defects in the petition.
 27 The petitioner may correct the defects and file the completed petition
 28 with the county auditor. On receipt of a complete petition, the county
 29 auditor shall forward a copy of the complete petition to:

30 (1) the assessor of the township in which the brownfield is
 31 located, **or the county assessor if there is no township assessor**
 32 **for the township;**

33 (2) the owner, if different from the petitioner;

34 (3) all persons that have, as of the date of the filing of the petition,
 35 a substantial property interest of public record in the brownfield;

36 (4) the board;

37 (5) the fiscal body;

38 (6) the department of environmental management; and

39 (7) the department.

40 SECTION 287. IC 6-1.1-45.5-4, AS ADDED BY P.L.208-2005,
 41 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2008]: Sec. 4. On receipt of a complete petition as provided

1 under sections 2 and 3 of this chapter, the board shall at its earliest
 2 opportunity conduct a public hearing on the petition. The board shall
 3 give notice of the date, time, and place fixed for the hearing:

4 (1) by mail to:

5 (A) the petitioner;

6 (B) the owner, if different from the petitioner;

7 (C) all persons that have, as of the date the petition was filed,
 8 a substantial interest of public record in the brownfield; and

9 (D) the assessor of the township in which the brownfield is
 10 located, **or the county assessor if there is no township**
 11 **assessor for the township;** and

12 (2) under IC 5-3-1.

13 SECTION 288. IC 6-1.1-45.5-8, AS ADDED BY P.L.208-2005,
 14 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2008]: Sec. 8. (a) The department shall give notice of its
 16 determination under section 7 of this chapter and the right to seek an
 17 appeal of the determination by mail to:

18 (1) the petitioner;

19 (2) the owner, if different from the petitioner;

20 (3) all persons that have, as of the date the petition was filed
 21 under section 2 of this chapter, a substantial property interest of
 22 public record in the brownfield;

23 (4) the assessor of the township in which the brownfield is
 24 located, **or the county assessor if there is no township assessor**
 25 **for the township;**

26 (5) the board;

27 (6) the fiscal body; and

28 (7) the county auditor.

29 (b) A person aggrieved by a determination of the department under
 30 section 7 of this chapter may obtain an additional review by the
 31 department and a public hearing by filing a petition for review with the
 32 county auditor of the county in which the brownfield is located not
 33 more than thirty (30) days after the department gives notice of the
 34 determination under subsection (a). The county auditor shall transmit
 35 the petition to the department not more than ten (10) days after the
 36 petition is filed.

37 (c) On receipt by the department of a petition for review, the
 38 department shall set a date, time, and place for a hearing. At least ten
 39 (10) days before the date fixed for the hearing, the department shall
 40 give notice by mail of the date, time, and place fixed for the hearing to:

41 (1) the person that filed the appeal;

42 (2) the petitioner;

- 1 (3) the owner, if different from the petitioner;
- 2 (4) all persons that have, as of the date the petition is filed, a
- 3 substantial interest of public record in the brownfield;
- 4 (5) the assessor of the township in which the brownfield is
- 5 located, **or the county assessor if there is no township assessor**
- 6 **for the township;**
- 7 (6) the board;
- 8 (7) the fiscal body; and
- 9 (8) the county auditor.

10 (d) After the hearing, the department shall give the parties listed in
 11 subsection (c) notice by mail of the final determination of the
 12 department. The department's final determination under this subsection
 13 is subject to the limitations in subsections (f)(2) and (g).

14 (e) The petitioner under section 2 of this chapter shall provide to the
 15 county auditor reasonable proof of ownership of the brownfield:

- 16 (1) if a petition is not filed under subsection (b), at least thirty
- 17 (30) days but not more than one hundred twenty (120) days after
- 18 notice is given under subsection (a); or
- 19 (2) after notice is given under subsection (d) but not more than
- 20 ninety (90) days after notice is given under subsection (d).

21 (f) The county auditor:

- 22 (1) shall, subject to subsection (g), reduce or remove the
- 23 delinquent tax liability on the tax duplicate in the amount stated
- 24 in:

25 (A) if a petition is not filed under subsection (b), the

26 determination of the department under section 7 of this

27 chapter; or

28 (B) the final determination of the department under this

29 section;

30 not more than thirty (30) days after receipt of the proof of

31 ownership required in subsection (e); and

32 (2) may not reduce or remove any delinquent tax liability on the

33 tax duplicate if the petitioner under section 2 of this chapter fails

34 to provide proof of ownership as required in subsection (e).

35 (g) A reduction or removal of delinquent tax liability under

36 subsection (f) applies until the county auditor makes a determination

37 under this subsection. After the date referred to in section 2(6) of this

38 chapter, the county auditor shall determine if the petitioner successfully

39 completed the plan described in section 2(5) of this chapter by that

40 date. If the county auditor determines that the petitioner completed the

41 plan by that date, the reduction or removal of delinquent tax liability

42 under subsection (f) becomes permanent. If the county auditor

1 determines that the petitioner did not complete the plan by that date,
 2 the county auditor shall restore to the tax duplicate the delinquent taxes
 3 reduced or removed under subsection (f), along with interest in the
 4 amount that would have applied if the delinquent taxes had not been
 5 reduced or removed.

6 SECTION 289. IC 6-1.5-5-2, AS AMENDED BY P.L.219-2007,
 7 SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2008]: Sec. 2. (a) After receiving a petition for review that is
 9 filed under a statute listed in section 1(a) of this chapter, the Indiana
 10 board shall, at its earliest opportunity:

11 (1) conduct a hearing; or

12 (2) cause a hearing to be conducted by an administrative law
 13 judge.

14 The Indiana board may determine to conduct the hearing under
 15 subdivision (1) on its own motion or on request of a party to the appeal.

16 (b) In its resolution of a petition, the Indiana board may correct any
 17 errors that may have been made and adjust the assessment in
 18 accordance with the correction.

19 (c) The Indiana board shall give notice of the date fixed for the
 20 hearing by mail to:

21 (1) the taxpayer;

22 (2) the department of local government finance; and

23 (3) the appropriate:

24 (A) township assessor **(if any)**;

25 (B) county assessor; and

26 (C) county auditor.

27 (d) With respect to an appeal of the assessment of real property or
 28 personal property filed after June 30, 2005, the notices required under
 29 subsection (c) must include the following:

30 (1) The action of the department of local government finance with
 31 respect to the appealed items.

32 (2) A statement that a taxing unit receiving the notice from the
 33 county auditor under subsection (e) may:

34 (A) attend the hearing;

35 (B) offer testimony; and

36 (C) file an amicus curiae brief in the proceeding.

37 (e) If, after receiving notice of a hearing under subsection (c), the
 38 county auditor determines that the assessed value of the appealed items
 39 constitutes at least one percent (1%) of the total gross certified assessed
 40 value of a particular taxing unit for the assessment date immediately
 41 preceding the assessment date for which the appeal was filed, the
 42 county auditor shall send a copy of the notice to the affected taxing

1 unit. A taxing unit that receives a notice from the county auditor under
 2 this subsection is not a party to the appeal. Failure of the county auditor
 3 to send a copy of the notice to the affected taxing unit does not affect
 4 the validity of the appeal or delay the appeal.

5 (f) The Indiana board shall give the notices required under
 6 subsection (c) at least thirty (30) days before the day fixed for the
 7 hearing.

8 SECTION 290. IC 6-1.5-5-5, AS AMENDED BY P.L.154-2006,
 9 SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2008]: Sec. 5. After the hearing, the Indiana board shall give
 11 the petitioner, the township assessor (**if any**), the county assessor, the
 12 county auditor, and the department of local government finance:

- 13 (1) notice, by mail, of its final determination, findings of fact, and
- 14 conclusions of law; and
- 15 (2) notice of the procedures the petitioner or the department of
- 16 local government finance must follow in order to obtain court
- 17 review of the final determination of the Indiana board.

18 The county auditor shall provide copies of the documents described in
 19 subdivisions (1) and (2) to the taxing units entitled to notice under
 20 section 2(e) of this chapter.

21 SECTION 291. IC 6-2.5-2-2 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE APRIL 1, 2008 (RETROACTIVE)]: Sec. 2.

23 (a) The state gross retail tax is measured by the gross retail income
 24 received by a retail merchant in a retail unitary transaction and is
 25 imposed at the following rates:

STATE	GROSS RETAIL INCOME		
GROSS	FROM THE		
RETAIL	RETAIL UNITARY		
TAX	TRANSACTION		
30 \$ 0		less than	\$0.09
31 \$ 0.01	at least \$ 0.09	but less than	\$0.25
32 \$ 0.02	at least \$ 0.25	but less than	\$0.42
33 \$ 0.03	at least \$ 0.42	but less than	\$0.59
34 \$ 0.04	at least \$ 0.59	but less than	\$0.75
35 \$ 0.05	at least \$ 0.75	but less than	\$0.92
36 \$ 0.06	at least \$ 0.92	but less than	\$1.09
37 \$ 0		less than	\$0.08
38 \$ 0.01	at least \$ 0.08	but less than	\$0.21
39 \$ 0.02	at least \$ 0.21	but less than	\$0.36
40 \$ 0.03	at least \$ 0.36	but less than	\$0.51
41 \$ 0.04	at least \$ 0.51	but less than	\$0.64
42 \$ 0.05	at least \$ 0.64	but less than	\$0.79

1 period of time may be changed if the change is requested by the retail
 2 merchant because of ~~his~~ **the retail merchant's** peculiar accounting
 3 procedures or marketing factors. In addition, if a retail merchant has
 4 multiple sales locations or diverse types of sales, the department shall
 5 permit the retail merchant to determine the ratio on the basis of a
 6 representative sampling of the locations and types of sales.

7 SECTION 294. IC 6-2.5-6-10, AS AMENDED BY P.L.211-2007,
 8 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 APRIL 1, 2008 (RETROACTIVE)]: Sec. 10. (a) In order to compensate
 10 retail merchants for collecting and timely remitting the state gross retail
 11 tax and the state use tax, every retail merchant, except a retail merchant
 12 referred to in subsection (c), is entitled to deduct and retain from the
 13 amount of those taxes otherwise required to be remitted under
 14 IC 6-2.5-7-5 or under this chapter, if timely remitted, a retail merchant's
 15 collection allowance.

16 (b) The allowance equals a percentage of the retail merchant's state
 17 gross retail and use tax liability accrued during a calendar year,
 18 specified as follows:

19 (1) ~~Eighty-three~~ **Seventy-three** hundredths percent (~~0.83%~~;
 20 **0.73%**), if the retail merchant's state gross retail and use tax
 21 liability accrued during the state fiscal year ending on June 30 of
 22 the immediately preceding calendar year did not exceed sixty
 23 thousand dollars (\$60,000).

24 (2) ~~Six-tenths~~ **Fifty-three** hundredths percent (~~0.6%~~); **0.53%**),
 25 if the retail merchant's state gross retail and use tax liability
 26 accrued during the state fiscal year ending on June 30 of the
 27 immediately preceding calendar year:

28 (A) was greater than sixty thousand dollars (\$60,000); and

29 (B) did not exceed six hundred thousand dollars (\$600,000).

30 (3) ~~Three-tenths~~ **Twenty-six** hundredths percent (~~0.3%~~;
 31 **0.26%**), if the retail merchant's state gross retail and use tax
 32 liability accrued during the state fiscal year ending on June 30 of
 33 the immediately preceding calendar year was greater than six
 34 hundred thousand dollars (\$600,000).

35 (c) A retail merchant described in IC 6-2.5-4-5 or IC 6-2.5-4-6 is not
 36 entitled to the allowance provided by this section.

37 SECTION 295. IC 6-2.5-7-3 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE APRIL 1, 2008 (RETROACTIVE)]: Sec. 3.

39 (a) With respect to the sale of gasoline which is dispensed from a
 40 metered pump, a retail merchant shall collect, for each unit of gasoline
 41 sold, state gross retail tax in an amount equal to the product, rounded
 42 to the nearest one-tenth of one cent (\$0.001), of:

- 1 (1) the price per unit before the addition of state and federal taxes;
 2 multiplied by
 3 (2) ~~six seven percent (6%)~~; (7%).

4 The retail merchant shall collect the state gross retail tax prescribed in
 5 this section even if the transaction is exempt from taxation under
 6 IC 6-2.5-5.

7 (b) With respect to the sale of special fuel or kerosene which is
 8 dispensed from a metered pump, unless the purchaser provides an
 9 exemption certificate in accordance with IC 6-2.5-8-8, a retail merchant
 10 shall collect, for each unit of special fuel or kerosene sold, state gross
 11 retail tax in an amount equal to the product, rounded to the nearest
 12 one-tenth of one cent (\$0.001), of:

- 13 (1) the price per unit before the addition of state and federal taxes;
 14 multiplied by
 15 (2) ~~six seven percent (6%)~~; (7%).

16 Unless the exemption certificate is provided, the retail merchant shall
 17 collect the state gross retail tax prescribed in this section even if the
 18 transaction is exempt from taxation under IC 6-2.5-5.

19 SECTION 296. IC 6-2.5-7-5, AS AMENDED BY P.L.182-2007,
 20 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 APRIL 1, 2008 (RETROACTIVE)]: Sec. 5. (a) Each retail merchant
 22 who dispenses gasoline or special fuel from a metered pump shall, in
 23 the manner prescribed in IC 6-2.5-6, report to the department the
 24 following information:

- 25 (1) The total number of gallons of gasoline sold from a metered
 26 pump during the period covered by the report.
 27 (2) The total amount of money received from the sale of gasoline
 28 described in subdivision (1) during the period covered by the
 29 report.
 30 (3) That portion of the amount described in subdivision (2) which
 31 represents state and federal taxes imposed under this article,
 32 IC 6-6-1.1, or Section 4081 of the Internal Revenue Code.
 33 (4) The total number of gallons of special fuel sold from a
 34 metered pump during the period covered by the report.
 35 (5) The total amount of money received from the sale of special
 36 fuel during the period covered by the report.
 37 (6) That portion of the amount described in subdivision (5) that
 38 represents state and federal taxes imposed under this article,
 39 IC 6-6-2.5, or Section 4041 of the Internal Revenue Code.
 40 (7) The total number of gallons of E85 sold from a metered pump
 41 during the period covered by the report.

42 (b) Concurrently with filing the report, the retail merchant shall

1 remit the state gross retail tax in an amount which equals ~~five six and~~
 2 ~~sixty-six~~ **fifty-four** hundredths percent (~~5.66%~~) (**6.54%**) of the gross
 3 receipts, including state gross retail taxes but excluding Indiana and
 4 federal gasoline and special fuel taxes, received by the retail merchant
 5 from the sale of the gasoline and special fuel that is covered by the
 6 report and on which the retail merchant was required to collect state
 7 gross retail tax. The retail merchant shall remit that amount regardless
 8 of the amount of state gross retail tax which ~~he~~ **the merchant** has
 9 actually collected under this chapter. However, the retail merchant is
 10 entitled to deduct and retain the amounts prescribed in subsection (c),
 11 IC 6-2.5-6-10, and IC 6-2.5-6-11.

12 (c) A retail merchant is entitled to deduct from the amount of state
 13 gross retail tax required to be remitted under subsection (b) the amount
 14 determined under STEP THREE of the following formula:

15 STEP ONE: Determine:

16 (A) the sum of the prepayment amounts made during the
 17 period covered by the retail merchant's report; minus

18 (B) the sum of prepayment amounts collected by the retail
 19 merchant, in the merchant's capacity as a qualified distributor,
 20 during the period covered by the retail merchant's report.

21 STEP TWO: Subject to subsection (d), for reporting periods
 22 ending before July 1, 2020, determine the product of:

23 (A) eighteen cents (\$0.18); multiplied by

24 (B) the number of gallons of E85 sold at retail by the retail
 25 merchant during the period covered by the retail merchant's
 26 report.

27 STEP THREE: Add the amounts determined under STEPS ONE
 28 and TWO.

29 For purposes of this section, a prepayment of the gross retail tax is
 30 presumed to occur on the date on which it is invoiced.

31 (d) The total amount of deductions allowed under subsection (c)
 32 STEP TWO may not exceed one million dollars (\$1,000,000) for all
 33 retail merchants in all reporting periods. A retail merchant is not
 34 required to apply for an allocation of deductions under subsection (c)
 35 STEP TWO. If the department determines that the sum of:

36 (1) the deductions that would otherwise be reported under
 37 subsection (c) STEP TWO for a reporting period; plus

38 (2) the total amount of deductions granted under subsection (c)
 39 STEP TWO in all preceding reporting periods;

40 will exceed one million dollars (\$1,000,000), the department shall
 41 publish in the Indiana Register a notice that the deduction program
 42 under subsection (c) STEP TWO is terminated after the date specified

1 in the notice and that no additional deductions will be granted for retail
2 transactions occurring after the date specified in the notice.

3 SECTION 297. IC 6-2.5-8-1, AS AMENDED BY P.L.219-2007,
4 SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2008]: Sec. 1. (a) A retail merchant may not make a retail
6 transaction in Indiana, unless the retail merchant has applied for a
7 registered retail merchant's certificate.

8 (b) A retail merchant may obtain a registered retail merchant's
9 certificate by filing an application with the department and paying a
10 registration fee of twenty-five dollars (\$25) for each place of business
11 listed on the application. The retail merchant shall also provide such
12 security for payment of the tax as the department may require under
13 IC 6-2.5-6-12.

14 (c) The retail merchant shall list on the application the location
15 (including the township) of each place of business where the retail
16 merchant makes retail transactions. However, if the retail merchant
17 does not have a fixed place of business, the retail merchant shall list the
18 retail merchant's residence as the retail merchant's place of business. In
19 addition, a public utility may list only its principal Indiana office as its
20 place of business for sales of public utility commodities or service, but
21 the utility must also list on the application the places of business where
22 it makes retail transactions other than sales of public utility
23 commodities or service.

24 (d) Upon receiving a proper application, the correct fee, and the
25 security for payment, if required, the department shall issue to the retail
26 merchant a separate registered retail merchant's certificate for each
27 place of business listed on the application. Each certificate shall bear
28 a serial number and the location of the place of business for which it is
29 issued.

30 (e) If a retail merchant intends to make retail transactions during a
31 calendar year at a new Indiana place of business, the retail merchant
32 must file a supplemental application and pay the fee for that place of
33 business.

34 (f) A registered retail merchant's certificate is valid for two (2) years
35 after the date the registered retail merchant's certificate is originally
36 issued or renewed. If the retail merchant has filed all returns and
37 remitted all taxes the retail merchant is currently obligated to file or
38 remit, the department shall renew the registered retail merchant's
39 certificate within thirty (30) days after the expiration date, at no cost to
40 the retail merchant.

41 (g) The department may not renew a registered retail merchant
42 certificate of a retail merchant who is delinquent in remitting sales or

1 use tax. The department, at least sixty (60) days before the date on
 2 which a retail merchant's registered retail merchant's certificate expires,
 3 shall notify a retail merchant who is delinquent in remitting sales or use
 4 tax that the department will not renew the retail merchant's registered
 5 retail merchant's certificate.

6 (h) A retail merchant engaged in business in Indiana as defined in
 7 IC 6-2.5-3-1(c) who makes retail transactions that are only subject to
 8 the use tax must obtain a registered retail merchant's certificate before
 9 making those transactions. The retail merchant may obtain the
 10 certificate by following the same procedure as a retail merchant under
 11 subsections (b) and (c), except that the retail merchant must also
 12 include on the application:

- 13 (1) the names and addresses of the retail merchant's principal
 14 employees, agents, or representatives who engage in Indiana in
 15 the solicitation or negotiation of the retail transactions;
- 16 (2) the location of all of the retail merchant's places of business in
 17 Indiana, including offices and distribution houses; and
- 18 (3) any other information that the department requests.

19 (i) The department may permit an out-of-state retail merchant to
 20 collect the use tax. However, before the out-of-state retail merchant
 21 may collect the tax, the out-of-state retail merchant must obtain a
 22 registered retail merchant's certificate in the manner provided by this
 23 section. Upon receiving the certificate, the out-of-state retail merchant
 24 becomes subject to the same conditions and duties as an Indiana retail
 25 merchant and must then collect the use tax due on all sales of tangible
 26 personal property that the out-of-state retail merchant knows is
 27 intended for use in Indiana.

28 (j) Except as provided in subsection (k), the department shall submit
 29 to the township assessor, **or the county assessor if there is no**
 30 **township assessor for the township**, before July 15 of each year:

- 31 (1) the name of each retail merchant that has newly obtained a
 32 registered retail merchant's certificate between March 2 of the
 33 preceding year and March 1 of the current year for a place of
 34 business located in the township **or county**; and
- 35 (2) the address of each place of business of the taxpayer in the
 36 township **or county**.

37 (k) If the duties of the township assessor have been transferred to
 38 the county assessor as described in IC 6-1.1-1-24, the department shall
 39 submit the information listed in subsection (j) to the county assessor.

40 SECTION 298. IC 6-2.5-10-1, AS AMENDED BY P.L.234-2007,
 41 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 MAY 1, 2008]: Sec. 1. (a) The department shall account for all state

1 gross retail and use taxes that it collects.

2 (b) The department shall deposit those collections in the following
3 manner:

4 ~~(1) Fifty percent (50%) of the collections shall be paid into the~~
5 ~~property tax replacement fund established under IC 6-1.1-21.~~

6 ~~(2) (1) Forty-nine Ninety-nine and sixty-seven one hundred~~
7 ~~seventy-eight thousandths percent (49.067%) (99.178%) of the~~
8 ~~collections shall be paid into the state general fund.~~

9 ~~(3) (2) Seventy-six Sixty-seven hundredths of one percent~~
10 ~~(0.76%) (0.67%) of the collections shall be paid into the public~~
11 ~~mass transportation fund established by IC 8-23-3-8.~~

12 ~~(4) (3) Thirty-three Twenty-nine thousandths of one percent~~
13 ~~(0.033%) (0.029%) of the collections shall be deposited into the~~
14 ~~industrial rail service fund established under IC 8-3-1.7-2.~~

15 ~~(5) (4) Fourteen-hundredths One hundred twenty-three~~
16 ~~thousandths of one percent (0.14%) (0.123%) of the collections~~
17 ~~shall be deposited into the commuter rail service fund established~~
18 ~~under IC 8-3-1.5-20.5.~~

19 SECTION 299. IC 6-3-2-6 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:

21 Sec. 6. (a) Each taxable year, an individual who rents a dwelling for use
22 as the individual's principal place of residence may deduct from the
23 individual's adjusted gross income (as defined in IC 6-3-1-3.5(a)), the
24 lesser of:

25 (1) the amount of rent paid by the individual with respect to the
26 dwelling during the taxable year; or

27 (2) ~~two three thousand five hundred dollars (\$2,500);~~ **(\$3,000).**

28 (b) Notwithstanding subsection (a), a husband and wife filing a joint
29 adjusted gross income tax return for a particular taxable year may not
30 claim a deduction under this section of more than ~~two three thousand~~
31 ~~five hundred dollars (\$2,500);~~ **(\$3,000).**

32 (c) The deduction provided by this section does not apply to an
33 individual who rents a dwelling that is exempt from Indiana property
34 tax.

35 (d) For purposes of this section, a "dwelling" includes a single
36 family dwelling and unit of a multi-family dwelling.

37 SECTION 300. IC 6-3-7-3 IS AMENDED TO READ AS
38 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) All
39 revenues derived from collection of the adjusted gross income tax
40 imposed on corporations shall be deposited in the state general fund.

41 (b) All revenues derived from collection of the adjusted gross
42 income tax imposed on persons shall be deposited ~~as follows:~~

1 (1) Eighty-six percent (86%) in the state general fund.

2 (2) Fourteen percent (14%) in the property tax replacement fund:

3 SECTION 301. IC 6-3.1-11-19 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:

5 Sec. 19. The board shall consider the following factors in evaluating
6 applications filed under this chapter:

7 (1) The level of distress in the surrounding community caused by
8 the loss of jobs at the vacant industrial facility.

9 (2) The desirability of the intended use of the vacant industrial
10 facility under the plan proposed by the municipality or county and
11 the likelihood that the implementation of the plan will improve
12 the economic and employment conditions in the surrounding
13 community.

14 (3) Evidence of support for the designation by residents,
15 businesses, and private organizations in the surrounding
16 community.

17 (4) Evidence of a commitment by private or governmental entities
18 to provide financial assistance in implementing the plan proposed
19 by the municipality or county, including the application of
20 IC 36-7-12, IC 36-7-13, IC 36-7-14, or IC 36-7-15.1 to assist in
21 the financing of improvements or redevelopment activities
22 benefiting the vacant industrial facility.

23 (5) Evidence of efforts by the municipality or county to
24 implement the proposed plan without additional financial
25 assistance from the state.

26 (6) Whether the industrial recovery site is within an economic
27 revitalization area designated under IC 6-1.1-12.1.

28 (7) ~~Whether action has been taken by the metropolitan~~
29 ~~development commission or the legislative body of the~~
30 ~~municipality or county having jurisdiction over the proposed~~
31 ~~industrial recovery site to make the property tax credit under~~
32 ~~IC 6-1.1-20.7 available to persons owning inventory located~~
33 ~~within the industrial recovery site and meeting the other~~
34 ~~conditions established by IC 6-1.1-20.7.~~

35 SECTION 302. IC 6-3.5-1.1-1 IS AMENDED TO READ AS
36 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. As used in this
37 chapter:

38 "Adjusted gross income" has the same definition that the term is
39 given in IC 6-3-1-3.5(a), except that in the case of a county taxpayer
40 who is not a resident of a county that has imposed the county adjusted
41 gross income tax, the term includes only adjusted gross income derived
42 from ~~his~~ **the taxpayer's** principal place of business or employment.

1 **"Apartment complex" means real property consisting of at least**
 2 **five (5) units that are regularly used to rent or otherwise furnish**
 3 **residential accommodations for periods of thirty (30) days or more.**

4 "Civil taxing unit" means any entity having the power to impose ad
 5 valorem property taxes except a school corporation. The term does not
 6 include a solid waste management district that is not entitled to a
 7 distribution under section 1.3 of this chapter. However, in the case of
 8 a consolidated city, the term "civil taxing unit" includes the
 9 consolidated city and all special taxing districts, all special service
 10 districts, and all entities whose budgets and property tax levies are
 11 subject to review under IC 36-3-6-9.

12 "County council" includes the city-county council of a consolidated
 13 city.

14 "County taxpayer" as it relates to a county for a year means any
 15 individual:

16 (1) who resides in that county on the date specified in section 16
 17 of this chapter; or

18 (2) who maintains ~~his~~ **the taxpayer's** principal place of business
 19 or employment in that county on the date specified in section 16
 20 of this chapter and who does not on that same date reside in
 21 another county in which the county adjusted gross income tax, the
 22 county option income tax, or the county economic development
 23 income tax is in effect.

24 "Department" refers to the Indiana department of state revenue.

25 **"Homestead" has the meaning set forth in IC 6-1.1-12-37.**

26 "Nonresident county taxpayer" as it relates to a county for a year
 27 means any county taxpayer for that county for that year who is not a
 28 resident county taxpayer of that county for that year.

29 **"Qualified residential property" refers to any of the following:**

30 **(1) An apartment complex.**

31 **(2) A homestead.**

32 **(3) Residential rental property.**

33 "Resident county taxpayer" as it relates to a county for a year means
 34 any county taxpayer who resides in that county on the date specified in
 35 section 16 of this chapter.

36 **"Residential rental property" means real property consisting of**
 37 **not more than four (4) units that are regularly used to rent or**
 38 **otherwise furnish residential accommodations for periods of thirty**
 39 **(30) days or more.**

40 "School corporation" means any public school corporation
 41 established under Indiana law.

42 SECTION 303. IC 6-3.5-1.1-14, AS AMENDED BY P.L.2-2006,

1 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JANUARY 1, 2009]: Sec. 14. (a) In determining the amount of
3 property tax replacement credits civil taxing units and school
4 corporations of a county are entitled to receive during a calendar year,
5 the department of local government finance shall consider only
6 property taxes imposed on tangible property that was assessed in that
7 county.

8 (b) If a civil taxing unit or a school corporation is located in more
9 than one (1) county and receives property tax replacement credits from
10 one (1) or more of the counties, then the property tax replacement
11 credits received from each county shall be used only to reduce the
12 property tax rates that are imposed within the county that distributed
13 the property tax replacement credits.

14 (c) A civil taxing unit shall treat any property tax replacement
15 credits that it receives or is to receive during a particular calendar year
16 as a part of its property tax levy for that same calendar year for
17 purposes of fixing its budget and for purposes of the property tax levy
18 limits imposed by IC 6-1.1-18.5.

19 (d) Subject to subsection (e), if a civil taxing unit or school
20 corporation of an adopting county does not impose a property tax levy
21 that is first due and payable in a calendar year in which property tax
22 replacement credits are being distributed, the civil taxing unit or school
23 corporation is entitled to use the property tax replacement credits
24 distributed to the civil taxing unit or school corporation for any purpose
25 for which a property tax levy could be used.

26 (e) A school corporation shall treat any property tax replacement
27 credits that the school corporation receives or is to receive during a
28 particular calendar year as a part of its property tax levy for its ~~general~~
29 ~~fund~~, debt service fund, capital projects fund, transportation fund,
30 school bus replacement fund, and special education preschool fund in
31 proportion to the levy for each of these funds for that same calendar
32 year for purposes of fixing its budget. ~~and for purposes of the~~
33 ~~maximum permissible tuition support levy limits imposed by~~
34 ~~IC 20-45-3~~. A school corporation shall allocate the property tax
35 replacement credits described in this subsection to all ~~six (6)~~ **five (5)**
36 funds in proportion to the levy for each fund.

37 SECTION 304. IC 6-3.5-1.1-15, AS AMENDED BY P.L.224-2007,
38 SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 JANUARY 1, 2009]: Sec. 15. (a) As used in this section, "attributed
40 allocation amount" of a civil taxing unit for a calendar year means the
41 sum of:

42 (1) the allocation amount of the civil taxing unit for that calendar

- 1 year; plus
- 2 (2) the current ad valorem property tax levy of any special taxing
- 3 district, authority, board, or other entity formed to discharge
- 4 governmental services or functions on behalf of or ordinarily
- 5 attributable to the civil taxing unit; plus
- 6 (3) in the case of a county, an amount equal to the ~~property taxes~~
- 7 ~~imposed by the county in 1999 for the county's welfare fund and~~
- 8 ~~welfare administration fund~~ **welfare allocation amount.**

9 **The welfare allocation amount is an amount equal to the sum of the**

10 **property taxes imposed by the county in 1999 for the county's**

11 **welfare fund and welfare administration fund and, if the county**

12 **received a certified distribution under this chapter or IC 6-3.5-6 in**

13 **2008, the property taxes imposed by the county in 2008 for the**

14 **county's county medical assistance to wards fund, family and**

15 **children's fund, children's psychiatric residential treatment**

16 **services fund, and children with special health care needs county**

17 **fund.**

18 (b) The part of a county's certified distribution that is to be used as

19 certified shares shall be allocated only among the county's civil taxing

20 units. Each civil taxing unit of a county is entitled to receive a certified

21 share during a calendar year in an amount determined in STEP TWO

22 of the following formula:

23 STEP ONE: Divide:

24 (A) the attributed allocation amount of the civil taxing unit

25 during that calendar year; by

26 (B) the sum of the attributed allocation amounts of all the civil

27 taxing units of the county during that calendar year.

28 STEP TWO: Multiply the part of the county's certified

29 distribution that is to be used as certified shares by the STEP

30 ONE amount.

31 (c) The ~~local government tax control board established by~~

32 ~~IC 6-1.1-18.5-11 (before January 1, 2009) or the county board of tax~~

33 ~~and capital projects review (after December 31, 2008) department of~~

34 **local government finance** shall determine the attributed levies of civil

35 taxing units that are entitled to receive certified shares during a

36 calendar year. If the ad valorem property tax levy of any special taxing

37 district, authority, board, or other entity is attributed to another civil

38 taxing unit under subsection (a)(2), then the special taxing district,

39 authority, board, or other entity shall not be treated as having an

40 attributed allocation amount of its own. The ~~local government tax~~

41 ~~control board (before January 1, 2009) or the county board of tax and~~

42 ~~capital projects review (after December 31, 2008) department of local~~

1 **government finance** shall certify the attributed allocation amounts to
 2 the appropriate county auditor. The county auditor shall then allocate
 3 the certified shares among the civil taxing units of the auditor's county.

4 (d) Certified shares received by a civil taxing unit shall be treated
 5 as additional revenue for the purpose of fixing its budget for the
 6 calendar year during which the certified shares will be received. The
 7 certified shares may be allocated to or appropriated for any purpose,
 8 including property tax relief or a transfer of funds to another civil
 9 taxing unit whose levy was attributed to the civil taxing unit in the
 10 determination of its attributed allocation amount.

11 SECTION 305. IC 6-3.5-1.1-24, AS ADDED BY P.L.224-2007,
 12 SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 UPON PASSAGE]: Sec. 24. (a) In a county in which the county
 14 adjusted gross income tax is in effect, the county council may, before
 15 August 1 of a year, adopt an ordinance to impose or increase (as
 16 applicable) a tax rate under this section.

17 (b) In a county in which neither the county adjusted gross income
 18 tax nor the county option income tax is in effect, the county council
 19 may, before August 1 of a year, adopt an ordinance to impose a tax rate
 20 under this section.

21 (c) An ordinance adopted under this section takes effect October 1
 22 of the year in which the ordinance is adopted. If a county council
 23 adopts an ordinance to impose or increase a tax rate under this section,
 24 the county auditor shall send a certified copy of the ordinance to the
 25 department and the department of local government finance by
 26 certified mail.

27 (d) A tax rate under this section is in addition to any other tax rates
 28 imposed under this chapter and does not affect the purposes for which
 29 other tax revenue under this chapter may be used.

30 (e) The following apply only in the year in which a county council
 31 first imposes a tax rate under this section.

32 (1) The county council shall, in the ordinance imposing the tax
 33 rate, specify the tax rate for each of the following two (2) years.

34 (2) The tax rate that must be imposed in the county from October
 35 1 of the year in which the tax rate is imposed through September
 36 30 of the following year is equal to the result of:

37 (A) the tax rate determined for the county under
 38 IC 6-3.5-1.5-1(a) in the year in which the tax rate is increased;
 39 multiplied by

40 (B) two (2).

41 (3) The tax rate that must be imposed in the county from October
 42 1 of the following year through September 30 of the year after the

1 following year is the tax rate determined for the county under
 2 IC 6-3.5-1.5-1(b). The tax rate under this subdivision continues
 3 in effect in later years unless the tax rate is increased under this
 4 section.

5 (4) The levy limitations in IC 6-1.1-18.5-3(g), IC 6-1.1-18.5-3(h),
 6 IC 12-19-7-4(b) (**before its repeal**), IC 12-19-7.5-6(b) (**before its**
 7 **repeal**), and IC 12-29-2-2(c) apply to property taxes first due and
 8 payable in the ensuing calendar year and to property taxes first
 9 due and payable in the calendar year after the ensuing calendar
 10 year.

11 (f) The following apply only in a year in which a county council
 12 increases a tax rate under this section:

13 (1) The county council shall, in the ordinance increasing the tax
 14 rate, specify the tax rate for the following year.

15 (2) The tax rate that must be imposed in the county from October
 16 1 of the year in which the tax rate is increased through September
 17 30 of the following year is equal to the result of:

18 (A) the tax rate determined for the county under
 19 IC 6-3.5-1.5-1(a) in that year; plus

20 (B) the tax rate currently in effect in the county under this
 21 section.

22 The tax rate under this subdivision continues in effect in later
 23 years unless the tax rate is increased under this section.

24 (3) The levy limitations in IC 6-1.1-18.5-3(g), IC 6-1.1-18.5-3(h),
 25 IC 12-19-7-4(b) (**before its repeal**), IC 12-19-7.5-6(b) (**before its**
 26 **repeal**), and IC 12-29-2-2(c) apply to property taxes first due and
 27 payable in the ensuing calendar year.

28 (g) The department of local government finance shall determine the
 29 following property tax replacement distribution amounts:

30 STEP ONE: Determine the sum of the amounts determined under
 31 STEP ONE through STEP FOUR of IC 6-3.5-1.5-1(a) for the
 32 county in the preceding year.

33 STEP TWO: For distribution to each civil taxing unit that in the
 34 year had a maximum permissible property tax levy limited under
 35 IC 6-1.1-18.5-3(g), determine the result of:

36 (1) the quotient of:

37 (A) the part of the amount determined under STEP ONE of
 38 IC 6-3.5-1.5-1(a) in the preceding year that was attributable
 39 to the civil taxing unit; divided by

40 (B) the STEP ONE amount; multiplied by

41 (2) the tax revenue received by the county treasurer under this
 42 section.

1 **STEP THREE: For distributions in 2009 and thereafter, the**
 2 **result of this STEP is zero (0).** For distribution to the county for
 3 deposit in the county family and children's fund **before 2009,**
 4 determine the result of:

- 5 (1) the quotient of:
 6 (A) the amount determined under STEP TWO of
 7 IC 6-3.5-1.5-1(a) in the preceding year; divided by
 8 (B) the STEP ONE amount; multiplied by
 9 (2) the tax revenue received by the county treasurer under this
 10 section.

11 **STEP FOUR: For distributions in 2009 and thereafter, the**
 12 **result of this STEP is zero (0).** For distribution to the county for
 13 deposit in the county children's psychiatric residential treatment
 14 services fund **before 2009,** determine the result of:

- 15 (1) the quotient of:
 16 (A) the amount determined under STEP THREE of
 17 IC 6-3.5-1.5-1(a) in the preceding year; divided by
 18 (B) the STEP ONE amount; multiplied by
 19 (2) the tax revenue received by the county treasurer under this
 20 section.

21 **STEP FIVE: For distribution to the county for community mental**
 22 **health center purposes, determine the result of:**

- 23 (1) the quotient of:
 24 (A) the amount determined under STEP FOUR of
 25 IC 6-3.5-1.5-1(a) in the preceding year; divided by
 26 (B) the STEP ONE amount; multiplied by
 27 (2) the tax revenue received by the county treasurer under this
 28 section.

29 Except as provided in subsection (m), the county treasurer shall
 30 distribute the portion of the certified distribution that is attributable to
 31 a tax rate under this section as specified in this section. The county
 32 treasurer shall make the distributions under this subsection at the same
 33 time that distributions are made to civil taxing units under section 15
 34 of this chapter.

35 (h) Notwithstanding sections 3.1 and 4 of this chapter, a county
 36 council may not decrease or rescind a tax rate imposed under this
 37 chapter.

38 (i) The tax rate under this section shall not be considered for
 39 purposes of computing:

- 40 (1) the maximum income tax rate that may be imposed in a county
 41 under section 2 of this chapter or any other provision of this
 42 chapter; or

1 (2) the maximum permissible property tax levy under STEP
2 EIGHT of IC 6-1.1-18.5-3(b).

3 (j) The tax levy under this section shall not be considered for
4 purposes of computing the total county tax levy under
5 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), or IC 6-1.1-21-2(g)(5)
6 **(before the repeal of those provisions).**

7 (k) A distribution under this section shall be treated as a part of the
8 receiving civil taxing unit's property tax levy for that year for purposes
9 of fixing the budget of the civil taxing unit and for determining the
10 distribution of taxes that are distributed on the basis of property tax
11 levies.

12 (l) If a county council imposes a tax rate under this section, the
13 portion of county adjusted gross income tax revenue dedicated to
14 property tax replacement credits under section 11 of this chapter may
15 not be decreased.

16 (m) In the year following the year in a which a county first imposes
17 a tax rate under this section, one-half (1/2) of the tax revenue that is
18 attributable to the tax rate under this section must be deposited in the
19 county stabilization fund established under subsection (o).

20 (n) A pledge of county adjusted gross income taxes does not apply
21 to revenue attributable to a tax rate under this section.

22 (o) A county stabilization fund is established in each county that
23 imposes a tax rate under this section. The county stabilization fund
24 shall be administered by the county auditor. If for a year the certified
25 distributions attributable to a tax rate under this section exceed the
26 amount calculated under STEP ONE through STEP FOUR of
27 IC 6-3.5-1.5-1(a) that is used by the department of local government
28 finance and the department of state revenue to determine the tax rate
29 under this section, the excess shall be deposited in the county
30 stabilization fund. Money shall be distributed from the county
31 stabilization fund in a year by the county auditor to political
32 subdivisions entitled to a distribution of tax revenue attributable to the
33 tax rate under this section if:

34 (1) the certified distributions attributable to a tax rate under this
35 section are less than the amount calculated under STEP ONE
36 through STEP FOUR of IC 6-3.5-1.5-1(a) that is used by the
37 department of local government finance and the department of
38 state revenue to determine the tax rate under this section for a
39 year; or

40 (2) the certified distributions attributable to a tax rate under this
41 section in a year are less than the certified distributions
42 attributable to a tax rate under this section in the preceding year.

1 However, subdivision (2) does not apply to the year following the first
 2 year in which certified distributions of revenue attributable to the tax
 3 rate under this section are distributed to the county.

4 (p) Notwithstanding any other provision, a tax rate imposed under
 5 this section may not exceed one percent (1%).

6 (q) The department of local government finance and the department
 7 of state revenue may take any actions necessary to carry out the
 8 purposes of this section.

9 SECTION 306. IC 6-3.5-1.1-25, AS ADDED BY P.L.224-2007,
 10 SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2008]: Sec. 25. (a) As used in this section, "public safety"
 12 refers to the following:

13 (1) A police and law enforcement system to preserve public peace
 14 and order.

15 (2) A firefighting and fire prevention system.

16 (3) Emergency ambulance services (as defined in
 17 IC 16-18-2-107).

18 (4) Emergency medical services (as defined in IC 16-18-2-110).

19 (5) Emergency action (as defined in IC 13-11-2-65).

20 (6) A probation department of a court.

21 (7) Confinement, supervision, services under a community
 22 corrections program (as defined in IC 35-38-2.6-2), or other
 23 correctional services for a person who has been:

24 (A) diverted before a final hearing or trial under an agreement
 25 that is between the county prosecuting attorney and the person
 26 or the person's custodian, guardian, or parent and that provides
 27 for confinement, supervision, community corrections services,
 28 or other correctional services instead of a final action
 29 described in clause (B) or (C);

30 (B) convicted of a crime; or

31 (C) adjudicated as a delinquent child or a child in need of
 32 services.

33 (8) A juvenile detention facility under IC 31-31-8.

34 (9) A juvenile detention center under IC 31-31-9.

35 (10) A county jail.

36 (11) A communications system (as defined in IC 36-8-15-3) or an
 37 enhanced emergency telephone system (as defined in
 38 IC 36-8-16-2).

39 (12) Medical and health expenses for jail inmates and other
 40 confined persons.

41 (13) Pension payments for any of the following:

42 (A) A member of the fire department (as defined in

- 1 IC 36-8-1-8) or any other employee of a fire department.
- 2 (B) A member of the police department (as defined in
- 3 IC 36-8-1-9), a police chief hired under a waiver under
- 4 IC 36-8-4-6.5, or any other employee hired by a police
- 5 department.
- 6 (C) A county sheriff or any other member of the office of the
- 7 county sheriff.
- 8 (D) Other personnel employed to provide a service described
- 9 in this section.

10 (b) If a county council has imposed a tax rate **of at least twenty-five**

11 **hundredths of one percent (0.25%)** under section 24 of this chapter,

12 **and has imposed a tax rate of at least twenty-five hundredths of one**

13 **percent (0.25%)** under section 26 of this chapter, **or a total combined**

14 **tax rate of at least twenty-five hundredths of one percent (0.25%)**

15 **under both sections 24 and 26 of this chapter**, the county council

16 may also adopt an ordinance to impose an additional tax rate under this

17 section to provide funding for public safety.

- 18 (c) A tax rate under this section may not exceed ~~the lesser of:~~
- 19 ~~(A) twenty-five hundredths of one percent (0.25%). or~~
- 20 ~~(B) the tax rate imposed under section 26 of this chapter.~~

21 (d) If a county council adopts an ordinance to impose a tax rate

22 under this section, the county auditor shall send a certified copy of the

23 ordinance to the department and the department of local government

24 finance by certified mail.

25 (e) A tax rate under this section is in addition to any other tax rates

26 imposed under this chapter and does not affect the purposes for which

27 other tax revenue under this chapter may be used.

28 (f) **Except as provided in subsection (k)**, the county auditor shall

29 distribute the portion of the certified distribution that is attributable to

30 a tax rate under this section to the county and to each municipality in

31 the county. The amount that shall be distributed to the county or

32 municipality is equal to the result of:

- 33 (1) the portion of the certified distribution that is attributable to a
- 34 tax rate under this section; multiplied by
- 35 (2) a fraction equal to:
- 36 (A) the attributed allocation amount (as defined in
- 37 IC 6-3.5-1.1-15) of the county or municipality for the calendar
- 38 year; divided by
- 39 (B) the sum of the attributed allocation amounts of the county
- 40 and each municipality in the county for the calendar year.

41 The county auditor shall make the distributions required by this

42 subsection not more than thirty (30) days after receiving the portion of

1 the certified distribution that is attributable to a tax rate under this
 2 section. Tax revenue distributed to a county or municipality under this
 3 subsection must be deposited into a separate account or fund and may
 4 be appropriated by the county or municipality only for public safety
 5 purposes.

6 (g) The department of local government finance may not require a
 7 county or municipality receiving tax revenue under this section to
 8 reduce the county's or municipality's property tax levy for a particular
 9 year on account of the county's or municipality's receipt of the tax
 10 revenue.

11 (h) The tax rate under this section and the tax revenue attributable
 12 to the tax rate under this section shall not be considered for purposes
 13 of computing:

14 (1) the maximum income tax rate that may be imposed in a county
 15 under section 2 of this chapter or any other provision of this
 16 chapter;

17 (2) the maximum permissible property tax levy under STEP
 18 EIGHT of IC 6-1.1-18.5-3(b); or

19 (3) the total county tax levy under IC 6-1.1-21-2(g)(3),
 20 IC 6-1.1-21-2(g)(4), or IC 6-1.1-21-2(g)(5) **(before the repeal of**
 21 **IC 6-1.1-21).**

22 (i) The tax rate under this section may be imposed or rescinded at
 23 the same time and in the same manner that the county may impose or
 24 increase a tax rate under section 24 of this chapter.

25 (j) The department of local government finance and the department
 26 of state revenue may take any actions necessary to carry out the
 27 purposes of this section.

28 **(k) Two (2) or more political subdivisions that are entitled to**
 29 **receive a distribution under this section may adopt resolutions that**
 30 **some part or all of those distributions shall instead be paid to one**
 31 **(1) political subdivision in the county to carry out specific public**
 32 **safety purposes specified in the resolutions.**

33 SECTION 307. IC 6-3.5-1.1-26, AS ADDED BY P.L.224-2007,
 34 SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 UPON PASSAGE]: Sec. 26. (a) A county council may impose a tax
 36 rate under this section to provide property tax relief to political
 37 subdivisions in the county. A county council is not required to impose
 38 any other tax before imposing a tax rate under this section.

39 (b) A tax rate under this section may be imposed in increments of
 40 five hundredths of one percent (0.05%) determined by the county
 41 council. A tax rate under this section may not exceed one percent (1%).

42 (c) A tax rate under this section is in addition to any other tax rates

1 imposed under this chapter and does not affect the purposes for which
2 other tax revenue under this chapter may be used.

3 (d) If a county council adopts an ordinance to impose or increase a
4 tax rate under this section, the county auditor shall send a certified
5 copy of the ordinance to the department and the department of local
6 government finance by certified mail.

7 (e) A tax rate under this section may be imposed, increased,
8 decreased, or rescinded by a county council at the same time and in the
9 same manner that the county council may impose or increase a tax rate
10 under section 24 of this chapter.

11 (f) Tax revenue attributable to a tax rate under this section may be
12 used for any combination of the following purposes, as specified by
13 ordinance of the county council:

14 (1) The tax revenue may be used to provide local property tax
15 replacement credits at a uniform rate to all taxpayers in the
16 county. Any tax revenue that is attributable to the tax rate under
17 this section and that is used to provide local property tax
18 replacement credits under this subdivision shall be distributed to
19 civil taxing units and school corporations in the county in the
20 same manner that certified distributions are allocated as property
21 tax replacement credits under section 12 of this chapter. The
22 department of local government finance shall provide each county
23 auditor with the amount of property tax replacement credits that
24 each civil taxing unit and school corporation in the auditor's
25 county is entitled to receive under this subdivision. The county
26 auditor shall then certify to each civil taxing unit and school
27 corporation the amount of property tax replacement credits the
28 civil taxing unit or school corporation is entitled to receive under
29 this subdivision during that calendar year.

30 (2) The tax revenue may be used to uniformly increase **(before**
31 **January 1, 2009) or uniformly provide (after December 31,**
32 **2008)** the homestead credit percentage in the county. The
33 ~~additional~~ homestead credits shall be treated for all purposes as
34 property tax levies. The ~~additional~~ homestead credits do not
35 reduce the basis for determining the state homestead credit under
36 IC 6-1.1-20.9 **(before its repeal)**. The ~~additional~~ homestead
37 credits shall be applied to the net property taxes due on the
38 homestead after the application of all other assessed value
39 deductions or property tax deductions and credits that apply to the
40 amount owed under IC 6-1.1. The department of local government
41 finance shall determine the ~~additional~~ homestead credit
42 percentage for a particular year based on the amount of tax

1 revenue that will be used under this subdivision to provide
2 ~~additional~~ homestead credits in that year.

3 (3) The tax revenue may be used to provide local property tax
4 replacement credits at a uniform rate for all qualified residential
5 property (as defined in IC 6-1.1-20.6-4 **before January 1, 2009,**
6 **and as defined in section 1 of this chapter after December 31,**
7 **2008**) in the county. Any tax revenue that is attributable to the tax
8 rate under this section and that is used to provide local property
9 tax replacement credits under this subdivision shall be distributed
10 to civil taxing units and school corporations in the county in the
11 same manner that certified distributions are allocated as property
12 tax replacement credits under section 12 of this chapter. The
13 department of local government finance shall provide each county
14 auditor with the amount of property tax replacement credits that
15 each civil taxing unit and school corporation in the auditor's
16 county is entitled to receive under this subdivision. The county
17 auditor shall then certify to each civil taxing unit and school
18 corporation the amount of property tax replacement credits the
19 civil taxing unit or school corporation is entitled to receive under
20 this subdivision during that calendar year.

21 **(4) This subdivision applies only to Lake County. The Lake**
22 **County council may adopt an ordinance providing that the tax**
23 **revenue from the tax rate under this section is used to**
24 **proportionately reduce all property tax levies imposed by the**
25 **county. The department of local government finance, with the**
26 **assistance of the budget agency, shall certify to the county**
27 **auditor, the county treasurer, the county council, and the**
28 **county executive the amount of tax revenue under this section**
29 **that will be used to reduce each property tax levy imposed by**
30 **the county. Except as provided in subsection (g), the tax**
31 **revenue under this section that is used to reduce the property**
32 **tax levies imposed by the county shall be treated for all**
33 **purposes as property tax levies.**

34 **(5) This subdivision applies only to Lake County. The Lake**
35 **County council may adopt an ordinance providing that the tax**
36 **revenue from the tax rate under this section is used as follows**
37 **to provide local property tax replacement credits in Lake**
38 **County:**

39 **(A) The tax revenue under this section that is collected**
40 **from taxpayers within a particular municipality in Lake**
41 **County (as determined by the department based on the**
42 **department's best estimate) shall be used only to provide**

1 **a local property tax credit against property taxes imposed**
2 **by that municipality. The local property tax credit within**
3 **a particular municipality shall be applied at a uniform rate**
4 **for all taxpayers within that municipality.**

5 **(B) The tax revenue under this section that is collected**
6 **from taxpayers within the unincorporated area of Lake**
7 **County (as determined by the department) shall be used**
8 **only to provide a local property tax credit against property**
9 **taxes imposed by the county. The local property tax credit**
10 **for the unincorporated area of Lake County shall be**
11 **available only to those taxpayers within the**
12 **unincorporated area of the county and shall be applied at**
13 **a uniform rate for all taxpayers within the unincorporated**
14 **area of the county.**

15 **(C) The department of local government finance, with the**
16 **assistance of the budget agency, shall certify to the county**
17 **auditor the amount of property tax replacement credits**
18 **that the county and each municipality in the county are**
19 **entitled to receive under this subdivision during the**
20 **calendar year. The county auditor shall then certify these**
21 **credit amounts to the county and each municipality in the**
22 **county. The county auditor also shall certify these credit**
23 **amounts to the county treasurer.**

24 **(D) Except as provided in subsection (g), the local property**
25 **tax replacement credits shall be treated for all purposes as**
26 **property tax levies.**

27 **(6) This subdivision applies only to Lake County. The Lake**
28 **County council may adopt an ordinance providing that the tax**
29 **revenue from the tax rate under this section is used as follows**
30 **in Lake County:**

31 **(A) Sixty percent (60%) of the tax revenue under this**
32 **section shall be used as provided in subdivision (5).**

33 **(B) Forty percent (40%) of the tax revenue under this**
34 **section shall be used to provide property tax levy**
35 **reductions as follows:**

36 **(i) The tax revenue distributed under this clause shall be**
37 **used to reduce the property tax levies of the county and**
38 **each township and municipality in the county.**

39 **(ii) The percentage of the tax revenue distributed under**
40 **this clause that shall be distributed to the county or to a**
41 **particular township or municipality for property tax**
42 **levy reductions under this subdivision is equal to the**

1 **percentage determined by dividing the population of the**
 2 **county, township, or municipality by the sum of the total**
 3 **population of the county, each township in the county,**
 4 **and each municipality in the county.**

5 **(iii) The tax revenue distributed to the county or a**
 6 **township or municipality under this clause shall be used**
 7 **to proportionately reduce all property tax levies of the**
 8 **county, township, or municipality.**

9 **(iv) The department of local government finance, with**
 10 **the assistance of the budget agency, shall certify to the**
 11 **county auditor and the fiscal body of the county and each**
 12 **township and municipality in the county the amount of**
 13 **tax revenue under this section that will be used under**
 14 **this clause to reduce each property tax levy imposed by**
 15 **the county, township, or municipality.**

16 **(v) Except as provided in subsection (g), the tax revenue**
 17 **under this section that is used to reduce the property tax**
 18 **levies imposed by the county, a township, or a**
 19 **municipality shall be treated for all purposes as property**
 20 **tax levies.**

21 (g) The tax rate under this section and the tax revenue attributable
 22 to the tax rate under this section shall not be considered for purposes
 23 of computing:

24 (1) the maximum income tax rate that may be imposed in a county
 25 under section 2 of this chapter or any other provision of this
 26 chapter;

27 (2) the maximum permissible property tax levy under STEP
 28 EIGHT of IC 6-1.1-18.5-3(b); or

29 (3) **before January 1, 2009**, the total county tax levy under
 30 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), or IC 6-1.1-21-2(g)(5)
 31 **(before the repeal of those provisions).**

32 (h) Tax revenue under this section shall be treated as a part of the
 33 receiving civil taxing unit's or school corporation's property tax levy for
 34 that year for purposes of fixing the budget of the civil taxing unit or
 35 school corporation and for determining the distribution of taxes that are
 36 distributed on the basis of property tax levies.

37 (i) The department of local government finance and the department
 38 of state revenue may take any actions necessary to carry out the
 39 purposes of this section.

40 SECTION 308. IC 6-3.5-1.5-1, AS AMENDED BY P.L.1-2008,
 41 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 UPON PASSAGE]: Sec. 1. (a) The department of local government

1 finance and the department of state revenue shall, before July 1 of each
 2 year, jointly calculate the county adjusted income tax rate or county
 3 option income tax rate (as applicable) that must be imposed in a county
 4 to raise income tax revenue in the following year equal to the sum of
 5 the following STEPS:

6 STEP ONE: Determine the greater of zero (0) or the result of:

7 (1) the department of local government finance's estimate of
 8 the sum of the maximum permissible ad valorem property tax
 9 levies calculated under IC 6-1.1-18.5 for all political
 10 subdivisions in the county for the ensuing calendar year
 11 (before any adjustment under IC 6-1.1-18.5-3(g) or
 12 IC 6-1.1-18.5-3(h) for the ensuing calendar year); minus

13 (2) the sum of the maximum permissible ad valorem property
 14 tax levies calculated under IC 6-1.1-18.5 for all political
 15 subdivisions in the county for the current calendar year.

16 In the case of a civil taxing unit that is located in more than one
 17 (1) county, the department of local government finance shall, for
 18 purposes of making the determination under this subdivision,
 19 apportion the civil taxing unit's maximum permissible ad valorem
 20 property tax levy among the counties in which the civil taxing unit
 21 is located.

22 STEP TWO: **This STEP applies only to property taxes first**
 23 **due and payable before January 1, 2009.** Determine the greater
 24 of zero (0) or the result of:

25 (1) the department of local government finance's estimate of
 26 the family and children property tax levy that will be imposed
 27 by the county under IC 12-19-7-4 for the ensuing calendar year
 28 (before any adjustment under IC 12-19-7-4(b) for the ensuing
 29 calendar year); minus

30 (2) the county's family and children property tax levy imposed
 31 by the county under IC 12-19-7-4 for the current calendar year.

32 STEP THREE: **This STEP applies only to property taxes first**
 33 **due and payable before January 1, 2009.** Determine the greater
 34 of zero (0) or the result of:

35 (1) the department of local government finance's estimate of
 36 the children's psychiatric residential treatment services
 37 property tax levy that will be imposed by the county under
 38 IC 12-19-7.5-6 for the ensuing calendar year (before any
 39 adjustment under IC 12-19-7.5-6(b) for the ensuing calendar
 40 year); minus

41 (2) the children's psychiatric residential treatment services
 42 property tax imposed by the county under IC 12-19-7.5-6 for

1 the current calendar year.

2 STEP FOUR: Determine the greater of zero (0) or the result of:

3 (1) the department of local government finance's estimate of
4 the county's maximum community mental health centers
5 property tax levy under IC 12-29-2-2 for the ensuing calendar
6 year (before any adjustment under IC 12-29-2-2(c) for the
7 ensuing calendar year); minus

8 (2) the county's maximum community mental health centers
9 property tax levy under IC 12-29-2-2 for the current calendar
10 year.

11 (b) In the case of a county that wishes to impose a tax rate under
12 IC 6-3.5-1.1-24 or IC 6-3.5-6-30 (as applicable) for the first time, the
13 department of local government finance and the department of state
14 revenue shall jointly estimate the amount that will be calculated under
15 subsection (a) in the second year after the tax rate is first imposed. The
16 department of local government finance and the department of state
17 revenue shall calculate the tax rate under IC 6-3.5-1.1-24 or
18 IC 6-3.5-6-30 (as applicable) that must be imposed in the county in the
19 second year after the tax rate is first imposed to raise income tax
20 revenue equal to the estimate under this subsection.

21 (c) The department and the department of local government finance
22 shall make the calculations under subsections (a) and (b) based on the
23 best information available at the time the calculation is made.

24 **(d) Notwithstanding IC 6-3.5-1.1-24(h) and IC 6-3.5-6-30(h), if**
25 **a county has adopted an income tax rate under IC 6-3.5-1.1-24 or**
26 **IC 6-3.5-6-30 to replace property tax levy growth, the part of the**
27 **tax rate under IC 6-3.5-1.1-24 or IC 6-3.5-6-30 that was used**
28 **before January 1, 2009, to reduce levy growth in the county family**
29 **and children's fund property tax levy and the children's**
30 **psychiatric residential treatment services property tax levy shall**
31 **instead be used for property tax relief in the same manner that a**
32 **tax rate under IC 6-3.5-1.1-26 and IC 6-3.5-6-30 is used for**
33 **property tax relief.**

34 SECTION 309. IC 6-3.5-6-1 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. As used in this
36 chapter:

37 "Adjusted gross income" has the same definition that the term is
38 given in IC 6-3-1-3.5. However, in the case of a county taxpayer who
39 is not treated as a resident county taxpayer of a county, the term
40 includes only adjusted gross income derived from **his the taxpayer's**
41 principal place of business or employment.

42 **"Apartment complex" means real property consisting of at least**

1 **five (5) units that are regularly used to rent or otherwise furnish**
 2 **residential accommodations for periods of at least thirty (30) days.**

3 "Civil taxing unit" means any entity, except a school corporation,
 4 that has the power to impose ad valorem property taxes. The term does
 5 not include a solid waste management district that is not entitled to a
 6 distribution under section 1.3 of this chapter. However, in the case of
 7 a county in which a consolidated city is located, the consolidated city,
 8 the county, all special taxing districts, special service districts, included
 9 towns (as defined in IC 36-3-1-7), and all other political subdivisions
 10 except townships, excluded cities (as defined in IC 36-3-1-7), and
 11 school corporations shall be deemed to comprise one (1) civil taxing
 12 unit whose fiscal body is the fiscal body of the consolidated city.

13 "County income tax council" means a council established by section
 14 2 of this chapter.

15 "County taxpayer", as it relates to a particular county, means any
 16 individual:

17 (1) who resides in that county on the date specified in section 20
 18 of this chapter; or

19 (2) who maintains ~~his~~ **the taxpayer's** principal place of business
 20 or employment in that county on the date specified in section 20
 21 of this chapter and who does not reside on that same date in
 22 another county in which the county option income tax, the county
 23 adjusted income tax, or the county economic development income
 24 tax is in effect.

25 "Department" refers to the Indiana department of state revenue.

26 "Fiscal body" has the same definition that the term is given in
 27 IC 36-1-2-6.

28 **"Homestead" has the meaning set forth in IC 6-1.1-12-37.**

29 **"Qualified residential property" refers to any of the following:**

30 **(1) An apartment complex.**

31 **(2) A homestead.**

32 **(3) Residential rental property.**

33 "Resident county taxpayer", as it relates to a particular county,
 34 means any county taxpayer who resides in that county on the date
 35 specified in section 20 of this chapter.

36 **"Residential rental property" means real property consisting of**
 37 **not more than four (4) units that are regularly used to rent or**
 38 **otherwise furnish residential accommodations for periods of at**
 39 **least thirty (30) days.**

40 "School corporation" has the same definition that the term is given
 41 in IC 6-1.1-1-16.

42 SECTION 310. IC 6-3.5-6-1.1, AS ADDED BY P.L.207-2005,

1 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JANUARY 1, 2009]: Sec. 1.1. (a) For purposes of allocating the
3 certified distribution made to a county under this chapter among the
4 civil taxing units in the county, the allocation amount for a civil taxing
5 unit is the amount determined using the following formula:

6 STEP ONE: Determine the total property taxes that are first due
7 and payable to the civil taxing unit during the calendar year of the
8 distribution plus, for a county, an amount equal to the ~~property~~
9 ~~taxes imposed by the county in 1999 for the county's welfare fund~~
10 ~~and welfare administration fund~~: **welfare allocation amount.**

11 STEP TWO: Determine the sum of the following:

12 (A) Amounts appropriated from property taxes to pay the
13 principal of or interest on any debenture or other debt
14 obligation issued after June 30, 2005, other than an obligation
15 described in subsection (b).

16 (B) Amounts appropriated from property taxes to make
17 payments on any lease entered into after June 30, 2005, other
18 than a lease described in subsection (c).

19 (C) The proceeds of any property that are:

20 (i) received as the result of the issuance of a debt obligation
21 described in clause (A) or a lease described in clause (B);
22 and

23 (ii) appropriated from property taxes for any purpose other
24 than to refund or otherwise refinance a debt obligation or
25 lease described in subsection (b) or (c).

26 STEP THREE: Subtract the STEP TWO amount from the STEP
27 ONE amount.

28 STEP FOUR: Determine the sum of:

29 (A) the STEP THREE amount; plus

30 (B) the civil taxing unit or school corporation's certified
31 distribution for the previous calendar year.

32 **The welfare allocation amount is an amount equal to the sum of the**
33 **property taxes imposed by the county in 1999 for the county's**
34 **welfare fund and welfare administration fund and, if the county**
35 **received a certified distribution under IC 6-3.5-1.1 or this chapter**
36 **in 2008, the property taxes imposed by the county in 2008 for the**
37 **county's county medical assistance to wards fund, family and**
38 **children's fund, children's psychiatric residential treatment**
39 **services fund, and children with special health care needs county**
40 **fund.**

41 (b) Except as provided in this subsection, an appropriation from
42 property taxes to repay interest and principal of a debt obligation is not

1 deducted from the allocation amount for a civil taxing unit if:

2 (1) the debt obligation was issued; and

3 (2) the proceeds appropriated from property taxes;

4 to refund or otherwise refinance a debt obligation or a lease issued
5 before July 1, 2005. However, an appropriation from property taxes
6 related to a debt obligation issued after June 30, 2005, is deducted if
7 the debt extends payments on a debt or lease beyond the time in which
8 the debt or lease would have been payable if the debt or lease had not
9 been refinanced or increases the total amount that must be paid on a
10 debt or lease in excess of the amount that would have been paid if the
11 debt or lease had not been refinanced. The amount of the deduction is
12 the annual amount for each year of the extension period or the annual
13 amount of the increase over the amount that would have been paid.

14 (c) Except as provided in this subsection, an appropriation from
15 property taxes to make payments on a lease is not deducted from the
16 allocation amount for a civil taxing unit if:

17 (1) the lease was issued; and

18 (2) the proceeds were appropriated from property taxes;

19 to refinance a debt obligation or lease issued before July 1, 2005.
20 However, an appropriation from property taxes related to a lease
21 entered into after June 30, 2005, is deducted if the lease extends
22 payments on a debt or lease beyond the time in which the debt or lease
23 would have been payable if it had not been refinanced or increases the
24 total amount that must be paid on a debt or lease in excess of the
25 amount that would have been paid if the debt or lease had not been
26 refinanced. The amount of the deduction is the annual amount for each
27 year of the extension period or the annual amount of the increase over
28 the amount that would have been paid.

29 SECTION 311. IC 6-3.5-6-13, AS AMENDED BY P.L.224-2007,
30 SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JANUARY 1, 2009]: Sec. 13. (a) A county income tax council of a
32 county in which the county option income tax is in effect may adopt an
33 ordinance to ~~increase the percentage~~ **provide a homestead** credit
34 ~~allowed~~ for homesteads in its county. ~~under IC 6-1.1-20.9-2.~~

35 (b) A county income tax council may not ~~increase the percentage~~
36 **provide a homestead** credit ~~allowed~~ for homesteads by an amount
37 **percentage** that exceeds the amount determined in the last STEP of the
38 following formula:

39 STEP ONE: Determine the amount of the sum of all property tax
40 levies for all taxing units in a county which are to be paid in the
41 county in 2003 as reflected by the auditor's abstract for the 2002
42 assessment year, adjusted, however, for any postabstract

- 1 adjustments which change the amount of the levies.
- 2 STEP TWO: Determine the amount of the county's estimated
- 3 property tax replacement under IC 6-1.1-21-3(a) (**before its**
- 4 **repeal**) for property taxes first due and payable in 2003.
- 5 STEP THREE: Subtract the STEP TWO amount from the STEP
- 6 ONE amount.
- 7 STEP FOUR: Determine the amount of the county's total county
- 8 levy (as defined in IC 6-1.1-21-2(g) **before its repeal**) for
- 9 property taxes first due and payable in 2003.
- 10 STEP FIVE: Subtract the STEP FOUR amount from the STEP
- 11 ONE amount.
- 12 STEP SIX: Subtract the STEP FIVE result from the STEP THREE
- 13 result.
- 14 STEP SEVEN: Divide the STEP THREE result by the STEP SIX
- 15 result.
- 16 STEP EIGHT: Multiply the STEP SEVEN result by
- 17 eight-hundredths (0.08).
- 18 STEP NINE: Round the STEP EIGHT product to the nearest
- 19 one-thousandth (0.001) and express the result as a percentage.
- 20 (c) The ~~increase of the~~ homestead credit percentage must be
- 21 uniform for all homesteads in a county.
- 22 (d) In the ordinance that ~~increases~~ **establishes** the homestead credit
- 23 percentage, a county income tax council may provide for a series of
- 24 increases or decreases to take place for each of a group of succeeding
- 25 calendar years.
- 26 (e) An ordinance may be adopted under this section after March 31
- 27 but before August 1 of a calendar year.
- 28 (f) An ordinance adopted under this section takes effect on January
- 29 1 of the next succeeding calendar year.
- 30 (g) Any ordinance adopted under this section for a county is
- 31 repealed for a year if on January 1 of that year the county option
- 32 income tax is not in effect.
- 33 SECTION 312. IC 6-3.5-6-18.5, AS AMENDED BY P.L.234-2005,
- 34 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 35 JANUARY 1, 2009]: Sec. 18.5. (a) This section applies to a county
- 36 containing a consolidated city.
- 37 (b) Notwithstanding section 18(e) of this chapter, the distributive
- 38 shares that each civil taxing unit in a county containing a consolidated
- 39 city is entitled to receive during a month equals the following:
- 40 (1) For the calendar year beginning January 1, 1995, calculate the
- 41 total amount of revenues that are to be distributed as distributive
- 42 shares during that month multiplied by the following factor:

1	Center Township	.0251
2	Decatur Township	.00217
3	Franklin Township	.0023
4	Lawrence Township	.01177
5	Perry Township	.01130
6	Pike Township	.01865
7	Warren Township	.01359
8	Washington Township	.01346
9	Wayne Township	.01307
10	Lawrence-City	.00858
11	Beech Grove	.00845
12	Southport	.00025
13	Speedway	.00722
14	Indianapolis/Marion County	.86409

15 (2) Notwithstanding subdivision (1), for the calendar year
 16 beginning January 1, 1995, the distributive shares for each civil
 17 taxing unit in a county containing a consolidated city shall be not
 18 less than the following:

19	Center Township	\$1,898,145
20	Decatur Township	\$164,103
21	Franklin Township	\$173,934
22	Lawrence Township	\$890,086
23	Perry Township	\$854,544
24	Pike Township	\$1,410,375
25	Warren Township	\$1,027,721
26	Washington Township	\$1,017,890
27	Wayne Township	\$988,397
28	Lawrence-City	\$648,848
29	Beech Grove	\$639,017
30	Southport	\$18,906
31	Speedway	\$546,000

32 (3) For each year after 1995, calculate the total amount of
 33 revenues that are to be distributed as distributive shares during
 34 that month as follows:

35 STEP ONE: Determine the total amount of revenues that were
 36 distributed as distributive shares during that month in calendar
 37 year 1995.

38 STEP TWO: Determine the total amount of revenue that the
 39 department has certified as distributive shares for that month
 40 under section 17 of this chapter for the calendar year.

41 STEP THREE: Subtract the STEP ONE result from the STEP
 42 TWO result.

1 STEP FOUR: If the STEP THREE result is less than or equal
 2 to zero (0), multiply the STEP TWO result by the ratio
 3 established under subdivision (1).

4 STEP FIVE: Determine the ratio of:

5 (A) the maximum permissible property tax levy under
 6 IC 6-1.1-18.5 ~~IC 12-19-7~~, and ~~IC 12-19-7.5~~ for each civil
 7 taxing unit for the calendar year in which the month falls,
 8 plus, for a county, an amount equal to the property taxes
 9 imposed by the county in 1999 for the county's welfare fund
 10 and welfare administration fund; **the welfare allocation**
 11 **amount**; divided by

12 (B) the sum of the maximum permissible property tax levies
 13 under IC 6-1.1-18.5 ~~IC 12-19-7~~, and ~~IC 12-19-7.5~~ for all
 14 civil taxing units of the county during the calendar year in
 15 which the month falls, and an amount equal to the **property**
 16 **taxes imposed by the county in 1999 for the county's welfare**
 17 **fund and welfare administration fund: welfare allocation**
 18 **amount.**

19 STEP SIX: If the STEP THREE result is greater than zero (0),
 20 the STEP ONE amount shall be distributed by multiplying the
 21 STEP ONE amount by the ratio established under subdivision
 22 (1).

23 STEP SEVEN: For each taxing unit determine the STEP FIVE
 24 ratio multiplied by the STEP TWO amount.

25 STEP EIGHT: For each civil taxing unit determine the
 26 difference between the STEP SEVEN amount minus the
 27 product of the STEP ONE amount multiplied by the ratio
 28 established under subdivision (1). The STEP THREE excess
 29 shall be distributed as provided in STEP NINE only to the civil
 30 taxing units that have a STEP EIGHT difference greater than
 31 or equal to zero (0).

32 STEP NINE: For the civil taxing units qualifying for a
 33 distribution under STEP EIGHT, each civil taxing unit's share
 34 equals the STEP THREE excess multiplied by the ratio of:

35 (A) the maximum permissible property tax levy under
 36 IC 6-1.1-18.5 ~~IC 12-19-7~~, and ~~IC 12-19-7.5~~ for the
 37 qualifying civil taxing unit during the calendar year in which
 38 the month falls, plus, for a county, an amount equal to the
 39 property taxes imposed by the county in 1999 for the
 40 county's welfare fund and welfare administration fund;
 41 **welfare allocation amount**; divided by

42 (B) the sum of the maximum permissible property tax levies

1 under IC 6-1.1-18.5 ~~IC 12-19-7~~, and ~~IC 12-19-7.5~~ for all
 2 qualifying civil taxing units of the county during the
 3 calendar year in which the month falls, and an amount equal
 4 to the property taxes imposed by the county in 1999 for the
 5 county's welfare fund and welfare administration fund:
 6 **welfare allocation amount.**

7 **(c) The welfare allocation amount is an amount equal to the sum**
 8 **of the property taxes imposed by the county in 1999 for the**
 9 **county's welfare fund and welfare administration fund and the**
 10 **property taxes imposed by the county in 2008 for the county's**
 11 **county medical assistance to wards fund, family and children's**
 12 **fund, children's psychiatric residential treatment services fund,**
 13 **and children with special health care needs county fund.**

14 SECTION 313. IC 6-3.5-6-30, AS ADDED BY P.L.224-2007,
 15 SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JANUARY 1, 2009]: Sec. 30. (a) In a county in which the county
 17 option income tax is in effect, the county income tax council may,
 18 before August 1 of a year, adopt an ordinance to impose or increase (as
 19 applicable) a tax rate under this section.

20 (b) In a county in which neither the county option adjusted gross
 21 income tax nor the county option income tax is in effect, the county
 22 income tax council may, before August 1 of a year, adopt an ordinance
 23 to impose a tax rate under this section.

24 (c) An ordinance adopted under this section takes effect October 1
 25 of the year in which the ordinance is adopted. If a county income tax
 26 council adopts an ordinance to impose or increase a tax rate under this
 27 section, the county auditor shall send a certified copy of the ordinance
 28 to the department and the department of local government finance by
 29 certified mail.

30 (d) A tax rate under this section is in addition to any other tax rates
 31 imposed under this chapter and does not affect the purposes for which
 32 other tax revenue under this chapter may be used.

33 (e) The following apply only in the year in which a county income
 34 tax council first imposes a tax rate under this section:

35 (1) The county income tax council shall, in the ordinance
 36 imposing the tax rate, specify the tax rate for each of the
 37 following two (2) years.

38 (2) The tax rate that must be imposed in the county from October
 39 1 of the year in which the tax rate is imposed through September
 40 30 of the following year is equal to the result of:

41 (A) the tax rate determined for the county under
 42 IC 6-3.5-1.5-1(a) in that year; multiplied by

- 1 (B) the following:
- 2 (i) In a county containing a consolidated city, one and
- 3 five-tenths (1.5).
- 4 (ii) In a county other than a county containing a consolidated
- 5 city, two (2).
- 6 (3) The tax rate that must be imposed in the county from October
- 7 1 of the following year through September 30 of the year after the
- 8 following year is the tax rate determined for the county under
- 9 IC 6-3.5-1.5-1(b). The tax rate under this subdivision continues
- 10 in effect in later years unless the tax rate is increased under this
- 11 section.
- 12 (4) The levy limitations in IC 6-1.1-18.5-3(g), IC 6-1.1-18.5-3(h),
- 13 IC 12-19-7-4(b) (**before its repeal**), IC 12-19-7.5-6(b) (**before its**
- 14 **repeal**), and IC 12-29-2-2(c) apply to property taxes first due and
- 15 payable in the ensuing calendar year and to property taxes first
- 16 due and payable in the calendar year after the ensuing calendar
- 17 year.
- 18 (f) The following apply only in a year in which a county income tax
- 19 council increases a tax rate under this section.
- 20 (1) The county income tax council shall, in the ordinance
- 21 increasing the tax rate, specify the tax rate for the following year.
- 22 (2) The tax rate that must be imposed in the county from October
- 23 1 of the year in which the tax rate is increased through September
- 24 30 of the following year is equal to the result of:
- 25 (A) the tax rate determined for the county under
- 26 IC 6-3.5-1.5-1(a) in the year the tax rate is increased; plus
- 27 (B) the tax rate currently in effect in the county under this
- 28 section.
- 29 The tax rate under this subdivision continues in effect in later
- 30 years unless the tax rate is increased under this section.
- 31 (3) The levy limitations in IC 6-1.1-18.5-3(g), IC 6-1.1-18.5-3(h),
- 32 IC 12-19-7-4(b) (**before its repeal**), IC 12-19-7.5-6(b) (**before its**
- 33 **repeal**), and IC 12-29-2-2(c) apply to property taxes first due and
- 34 payable in the ensuing calendar year.
- 35 (g) The department of local government finance shall determine the
- 36 following property tax replacement distribution amounts:
- 37 STEP ONE: Determine the sum of the amounts determined under
- 38 STEP ONE through STEP FOUR of IC 6-3.5-1.5-1(a) for the
- 39 county in the preceding year.
- 40 STEP TWO: For distribution to each civil taxing unit that in the
- 41 year had a maximum permissible property tax levy limited under
- 42 IC 6-1.1-18.5-3(g), determine the result of:

- 1 (1) the quotient of:
 2 (A) the part of the amount determined under STEP ONE of
 3 IC 6-3.5-1.5-1(a) in the preceding year that was attributable
 4 to the civil taxing unit; divided by
 5 (B) the STEP ONE amount; multiplied by
 6 (2) the tax revenue received by the county treasurer under this
 7 section.

8 **STEP THREE: For distributions in 2009 and thereafter, the**
 9 **result of this STEP is zero (0).** For distribution to the county for
 10 deposit in the county family and children's fund **before 2009**,
 11 determine the result of:

- 12 (1) the quotient of:
 13 (A) the amount determined under STEP TWO of
 14 IC 6-3.5-1.5-1(a) in the preceding year; divided by
 15 (B) the STEP ONE amount; multiplied by
 16 (2) the tax revenue received by the county treasurer under this
 17 section.

18 **STEP FOUR: For distributions in 2009 and thereafter, the**
 19 **result of this STEP is zero (0).** For distribution to the county for
 20 deposit in the county children's psychiatric residential treatment
 21 services fund **before 2009**, determine the result of:

- 22 (1) the quotient of:
 23 (A) the amount determined under STEP THREE of
 24 IC 6-3.5-1.5-1(a) in the preceding year; divided by
 25 (B) the STEP ONE amount; multiplied by
 26 (2) the tax revenue received by the county treasurer under this
 27 section.

28 **STEP FIVE: For distribution to the county for community mental**
 29 **health center purposes, determine the result of:**

- 30 (1) the quotient of:
 31 (A) the amount determined under STEP FOUR of
 32 IC 6-3.5-1.5-1(a) in the preceding year; divided by
 33 (B) the STEP ONE amount; multiplied by
 34 (2) the tax revenue received by the county treasurer under this
 35 section.

36 Except as provided in subsection (m), the county treasurer shall
 37 distribute the portion of the certified distribution that is attributable to
 38 a tax rate under this section as specified in this section. The county
 39 treasurer shall make the distributions under this subsection at the same
 40 time that distributions are made to civil taxing units under section 18
 41 of this chapter.

- 42 (h) Notwithstanding sections 12 and 12.5 of this chapter, a county

1 income tax council may not decrease or rescind a tax rate imposed
2 under this chapter.

3 (i) The tax rate under this section shall not be considered for
4 purposes of computing:

5 (1) the maximum income tax rate that may be imposed in a county
6 under section 8 or 9 of this chapter or any other provision of this
7 chapter; or

8 (2) the maximum permissible property tax levy under STEP
9 EIGHT of IC 6-1.1-18.5-3(b).

10 (j) The tax levy under this section shall not be considered for
11 purposes of computing the total county tax levy under
12 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), or IC 6-1.1-21-2(g)(5)
13 **(before the repeal of those provisions).**

14 (k) A distribution under this section shall be treated as a part of the
15 receiving civil taxing unit's property tax levy for that year for purposes
16 of fixing its budget and for determining the distribution of taxes that
17 are distributed on the basis of property tax levies.

18 (l) If a county income tax council imposes a tax rate under this
19 section, the county option income tax rate dedicated to locally funded
20 homestead credits in the county may not be decreased.

21 (m) In the year following the year in which a county first imposes
22 a tax rate under this section:

23 (1) one-third (1/3) of the tax revenue that is attributable to the tax
24 rate under this section must be deposited in the county
25 stabilization fund established under subsection (o), in the case of
26 a county containing a consolidated city; and

27 (2) one-half (1/2) of the tax revenue that is attributable to the tax
28 rate under this section must be deposited in the county
29 stabilization fund established under subsection (o), in the case of
30 a county not containing a consolidated city.

31 (n) A pledge of county option income taxes does not apply to
32 revenue attributable to a tax rate under this section.

33 (o) A county stabilization fund is established in each county that
34 imposes a tax rate under this section. The county stabilization fund
35 shall be administered by the county auditor. If for a year the certified
36 distributions attributable to a tax rate under this section exceed the
37 amount calculated under STEP ONE through STEP FOUR of
38 IC 6-3.5-1.5-1(a) that is used by the department of local government
39 finance and the department of state revenue to determine the tax rate
40 under this section, the excess shall be deposited in the county
41 stabilization fund. Money shall be distributed from the county
42 stabilization fund in a year by the county auditor to political

1 subdivisions entitled to a distribution of tax revenue attributable to the
2 tax rate under this section if:

- 3 (1) the certified distributions attributable to a tax rate under this
4 section are less than the amount calculated under STEP ONE
5 through STEP FOUR of IC 6-3.5-1.5-1(a) that is used by the
6 department of local government finance and the department of
7 state revenue to determine the tax rate under this section for a
8 year; or
9 (2) the certified distributions attributable to a tax rate under this
10 section in a year are less than the certified distributions
11 attributable to a tax rate under this section in the preceding year.

12 However, subdivision (2) does not apply to the year following the first
13 year in which certified distributions of revenue attributable to the tax
14 rate under this section are distributed to the county.

15 (p) Notwithstanding any other provision, a tax rate imposed under
16 this section may not exceed one percent (1%).

17 (q) The department of local government finance and the department
18 of state revenue may take any actions necessary to carry out the
19 purposes of this section.

20 (r) Notwithstanding any other provision, in Lake County the county
21 council (and not the county income tax council) is the entity authorized
22 to take actions concerning the additional tax rate under this section.

23 SECTION 314. IC 6-3.5-6-31, AS ADDED BY P.L.224-2007,
24 SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
25 JANUARY 1, 2009]: Sec. 31. (a) As used in this section, "public
26 safety" refers to the following:

- 27 (1) A police and law enforcement system to preserve public peace
28 and order.
29 (2) A firefighting and fire prevention system.
30 (3) Emergency ambulance services (as defined in
31 IC 16-18-2-107).
32 (4) Emergency medical services (as defined in IC 16-18-2-110).
33 (5) Emergency action (as defined in IC 13-11-2-65).
34 (6) A probation department of a court.
35 (7) Confinement, supervision, services under a community
36 corrections program (as defined in IC 35-38-2.6-2), or other
37 correctional services for a person who has been:

- 38 (A) diverted before a final hearing or trial under an agreement
39 that is between the county prosecuting attorney and the person
40 or the person's custodian, guardian, or parent and that provides
41 for confinement, supervision, community corrections services,
42 or other correctional services instead of a final action

- 1 described in clause (B) or (C);
 2 (B) convicted of a crime; or
 3 (C) adjudicated as a delinquent child or a child in need of
 4 services.
- 5 (8) A juvenile detention facility under IC 31-31-8.
 6 (9) A juvenile detention center under IC 31-31-9.
 7 (10) A county jail.
 8 (11) A communications system (as defined in IC 36-8-15-3) or an
 9 enhanced emergency telephone system (as defined in
 10 IC 36-8-16-2).
 11 (12) Medical and health expenses for jail inmates and other
 12 confined persons.
 13 (13) Pension payments for any of the following:
- 14 (A) A member of the fire department (as defined in
 15 IC 36-8-1-8) or any other employee of a fire department.
 16 (B) A member of the police department (as defined in
 17 IC 36-8-1-9), a police chief hired under a waiver under
 18 IC 36-8-4-6.5, or any other employee hired by a police
 19 department.
 20 (C) A county sheriff or any other member of the office of the
 21 county sheriff.
 22 (D) Other personnel employed to provide a service described
 23 in this section.
- 24 (b) The county income tax council may adopt an ordinance to
 25 impose an additional tax rate under this section to provide funding for
 26 public safety if:
- 27 (1) the county income tax council has imposed a tax rate under
 28 section 30 of this chapter, in the case of a county containing a
 29 consolidated city; or
 30 (2) the county income tax council has imposed a tax rate **of at**
 31 **least twenty-five hundredths of one percent (0.25%)** under
 32 section 30 of this chapter, ~~and has also imposed~~ a tax rate **of at**
 33 **least twenty-five hundredths of one percent (0.25%)** under
 34 section 32 of this chapter, **or a total combined tax rate of at**
 35 **least twenty-five hundredths of one percent (0.25%) under**
 36 **both sections 30 and 32 of this chapter**, in the case of a county
 37 other than a county containing a consolidated city.
- 38 (c) A tax rate under this section may not exceed the following:
- 39 (1) Five-tenths of one percent (0.5%), in the case of a county
 40 containing a consolidated city.
 41 (2) ~~The lesser of:~~
 42 (A) Twenty-five hundredths of one percent (0.25%); ~~or~~

1 ~~(B)~~ the tax rate imposed under section 32 of this chapter;
 2 in the case of a county other than a county containing a
 3 consolidated city.

4 (d) If a county income tax council adopts an ordinance to impose a
 5 tax rate under this section, the county auditor shall send a certified
 6 copy of the ordinance to the department and the department of local
 7 government finance by certified mail.

8 (e) A tax rate under this section is in addition to any other tax rates
 9 imposed under this chapter and does not affect the purposes for which
 10 other tax revenue under this chapter may be used.

11 (f) **Except as provided in subsection (l)**, the county auditor shall
 12 distribute the portion of the certified distribution that is attributable to
 13 a tax rate under this section to the county and to each municipality in
 14 the county. The amount that shall be distributed to the county or
 15 municipality is equal to the result of:

16 (1) the portion of the certified distribution that is attributable to a
 17 tax rate under this section; multiplied by

18 (2) a fraction equal to:

19 (A) the total property taxes being collected in the county by
 20 the county or municipality for the calendar year; divided by

21 (B) the sum of the total property taxes being collected in the
 22 county by the county and each municipality in the county for
 23 the calendar year.

24 The county auditor shall make the distributions required by this
 25 subsection not more than thirty (30) days after receiving the portion of
 26 the certified distribution that is attributable to a tax rate under this
 27 section. Tax revenue distributed to a county or municipality under this
 28 subsection must be deposited into a separate account or fund and may
 29 be appropriated by the county or municipality only for public safety
 30 purposes.

31 (g) The department of local government finance may not require a
 32 county or municipality receiving tax revenue under this section to
 33 reduce the county's or municipality's property tax levy for a particular
 34 year on account of the county's or municipality's receipt of the tax
 35 revenue.

36 (h) The tax rate under this section and the tax revenue attributable
 37 to the tax rate under this section shall not be considered for purposes
 38 of computing:

39 (1) the maximum income tax rate that may be imposed in a county
 40 under section 8 or 9 of this chapter or any other provision of this
 41 chapter;

42 (2) the maximum permissible property tax levy under STEP

1 EIGHT of IC 6-1.1-18.5-3(b); or
 2 (3) the total county tax levy under IC 6-1.1-21-2(g)(3),
 3 IC 6-1.1-21-2(g)(4), or IC 6-1.1-21-2(g)(5) **(before the repeal of**
 4 **IC 6-1.1-21).**

5 (i) The tax rate under this section may be imposed or rescinded at
 6 the same time and in the same manner that the county may impose or
 7 increase a tax rate under section 30 of this chapter.

8 (j) The department of local government finance and the department
 9 of state revenue may take any actions necessary to carry out the
 10 purposes of this section.

11 (k) Notwithstanding any other provision, in Lake County the county
 12 council (and not the county income tax council) is the entity authorized
 13 to take actions concerning the additional tax rate under this section.

14 **(l) Two (2) or more political subdivisions that are entitled to**
 15 **receive a distribution under this section may adopt resolutions**
 16 **providing that some part or all of those distributions shall instead**
 17 **be paid to one (1) political subdivision in the county to carry out**
 18 **specific public safety purposes specified in the resolutions.**

19 SECTION 315. IC 6-3.5-6-32, AS ADDED BY P.L.224-2007,
 20 SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 UPON PASSAGE]: Sec. 32. (a) A county income tax council may
 22 impose a tax rate under this section to provide property tax relief to
 23 political subdivisions in the county. A county income tax council is not
 24 required to impose any other tax before imposing a tax rate under this
 25 section.

26 (b) A tax rate under this section may be imposed in increments of
 27 five hundredths of one percent (0.05%) determined by the county
 28 income tax council. A tax rate under this section may not exceed one
 29 percent (1%).

30 (c) A tax rate under this section is in addition to any other tax rates
 31 imposed under this chapter and does not affect the purposes for which
 32 other tax revenue under this chapter may be used.

33 (d) If a county income tax council adopts an ordinance to impose or
 34 increase a tax rate under this section, the county auditor shall send a
 35 certified copy of the ordinance to the department and the department
 36 of local government finance by certified mail.

37 (e) A tax rate under this section may be imposed, increased,
 38 decreased, or rescinded at the same time and in the same manner that
 39 the county income tax council may impose or increase a tax rate under
 40 section 30 of this chapter.

41 (f) Tax revenue attributable to a tax rate under this section may be
 42 used for any combination of the following purposes, as specified by

1 ordinance of the county income tax council:

2 (1) The tax revenue may be used to provide local property tax
3 replacement credits at a uniform rate to civil taxing units and
4 school corporations in the county. The amount of property tax
5 replacement credits that each civil taxing unit and school
6 corporation in a county is entitled to receive under this
7 subdivision during a calendar year equals the product of:

8 (A) the tax revenue attributable to a tax rate under this section
9 that is dedicated to property tax replacement credits under this
10 subdivision; multiplied by

11 (B) the following fraction:

12 (i) The numerator of the fraction equals the total property
13 taxes being collected in the county by the civil taxing unit or
14 school corporation during the calendar year of the
15 distribution.

16 (ii) The denominator of the fraction equals the sum of the
17 total property taxes being collected in the county by all civil
18 taxing units and school corporations of the county during the
19 calendar year of the distribution.

20 The department of local government finance shall provide each
21 county auditor with the amount of property tax replacement
22 credits that each civil taxing unit and school corporation in the
23 auditor's county is entitled to receive under this subdivision. The
24 county auditor shall then certify to each civil taxing unit and
25 school corporation the amount of property tax replacement credits
26 the civil taxing unit or school corporation is entitled to receive
27 under this subdivision during that calendar year. The county
28 auditor shall also certify these distributions to the county
29 treasurer. Except as provided in subsection (g), the local property
30 tax replacement credits shall be treated for all purposes as
31 property tax levies.

32 (2) The tax revenue may be used to uniformly increase **(before**
33 **January 1, 2009) or uniformly provide (after December 31,**
34 **2008)** the homestead credit percentage in the county. The
35 ~~additional~~ homestead credits shall be treated for all purposes as
36 property tax levies. The ~~additional~~ homestead credits do not
37 reduce the basis for determining the state homestead credit under
38 IC 6-1.1-20.9 **(before its repeal)**. The ~~additional~~ homestead
39 credits shall be applied to the net property taxes due on the
40 homestead after the application of all other assessed value
41 deductions or property tax deductions and credits that apply to the
42 amount owed under IC 6-1.1. The department of local government

1 finance shall determine the ~~additional~~ homestead credit
 2 percentage for a particular year based on the amount of tax
 3 revenue that will be used under this subdivision to provide
 4 ~~additional~~ homestead credits in that year.

5 (3) The tax revenue may be used to provide local property tax
 6 replacement credits at a uniform rate for all qualified residential
 7 property (as defined in IC 6-1.1-20.6-4 **before January 1, 2009,**
 8 **and as defined in section 1 of this chapter after December 31,**
 9 **2008**) in the county. The amount of property tax replacement
 10 credits that each civil taxing unit and school corporation in a
 11 county is entitled to receive under this subdivision during a
 12 calendar year equals the product of:

13 (A) the tax revenue attributable to a tax rate under this section
 14 that is dedicated to property tax replacement credits under this
 15 subdivision; multiplied by

16 (B) the following fraction:

17 (i) The numerator of the fraction equals the total property
 18 taxes being collected in the county by the civil taxing unit or
 19 school corporation during the calendar year of the
 20 distribution.

21 (ii) The denominator of the fraction equals the sum of the
 22 total property taxes being collected in the county by all civil
 23 taxing units and school corporations of the county during the
 24 calendar year of the distribution.

25 The department of local government finance shall provide each
 26 county auditor with the amount of property tax replacement
 27 credits that each civil taxing unit and school corporation in the
 28 auditor's county is entitled to receive under this subdivision. The
 29 county auditor shall then certify to each civil taxing unit and
 30 school corporation the amount of property tax replacement credits
 31 the civil taxing unit or school corporation is entitled to receive
 32 under this subdivision during that calendar year. The county
 33 auditor shall also certify these distributions to the county
 34 treasurer. Except as provided in subsection (g), the local property
 35 tax replacement credits shall be treated for all purposes as
 36 property tax levies.

37 **(4) This subdivision applies only to Lake County. The Lake**
 38 **County council may adopt an ordinance providing that the tax**
 39 **revenue from the tax rate under this section is used to**
 40 **proportionately reduce all property tax levies imposed by the**
 41 **county. The department of local government finance, with the**
 42 **assistance of the budget agency, shall certify to the county**

1 auditor, the county treasurer, the county council, and the
2 county executive the amount of tax revenue under this section
3 that will be used to reduce each property tax levy imposed by
4 the county. Except as provided in subsection (g), the tax
5 revenue under this section that is used to reduce the property
6 tax levies imposed by the county shall be treated for all
7 purposes as property tax levies.

8 (5) This subdivision applies only to Lake County. The Lake
9 County council may adopt an ordinance providing that the tax
10 revenue from the tax rate under this section is used as follows
11 to provide local property tax replacement credits in Lake
12 County:

13 (A) The tax revenue under this section that is collected
14 from taxpayers within a particular municipality in Lake
15 County (as determined by the department based on the
16 department's best estimate) shall be used only to provide
17 a local property tax credit against property taxes imposed
18 by that municipality. The local property tax credit within
19 a particular municipality shall be applied at a uniform rate
20 for all taxpayers within that municipality.

21 (B) The tax revenue under this section that is collected
22 from taxpayers within the unincorporated area of Lake
23 County (as determined by the department) shall be used
24 only to provide a local property tax credit against property
25 taxes imposed by the county. The local property tax credit
26 for the unincorporated area of Lake County shall be
27 available only to those taxpayers within the
28 unincorporated area of the county and shall be applied at
29 a uniform rate for all taxpayers within the unincorporated
30 area of the county.

31 (C) The department of local government finance, with the
32 assistance of the budget agency, shall certify to the county
33 auditor the amount of property tax replacement credits
34 that the county and each municipality in the county are
35 entitled to receive under this subdivision during the
36 calendar year. The county auditor shall then certify these
37 credit amounts to the county and each municipality in the
38 county. The county auditor shall also certify these credit
39 amounts to the county treasurer.

40 (D) Except as provided in subsection (g), the local property
41 tax replacement credits shall be treated for all purposes as
42 property tax levies.

1 **(6) This subdivision applies only to Lake County. The Lake**
 2 **County council may adopt an ordinance providing that the tax**
 3 **revenue from the tax rate under this section is used as follows**
 4 **in Lake County:**

5 **(A) Sixty percent (60%) of the tax revenue under this**
 6 **section shall be used as provided in subdivision (5).**

7 **(B) Forty percent (40%) of the tax revenue under this**
 8 **section shall be used to provide property tax levy**
 9 **reductions as follows:**

10 **(i) The tax revenue distributed under this clause shall be**
 11 **used to reduce the property tax levies of the county and**
 12 **each township and municipality in the county.**

13 **(ii) The percentage of the tax revenue distributed under**
 14 **this clause that shall be distributed to the county or to a**
 15 **particular township or municipality for property tax**
 16 **levy reductions under this subdivision is equal to the**
 17 **percentage determined by dividing the population of the**
 18 **county, township, or municipality by the sum of the total**
 19 **population of the county, each township in the county,**
 20 **and each municipality in the county.**

21 **(iii) The tax revenue distributed to the county or a**
 22 **township or municipality under this clause shall be used**
 23 **to proportionately reduce all property tax levies of the**
 24 **county, township, or municipality.**

25 **(iv) The department of local government finance, with**
 26 **the assistance of the budget agency, shall certify to the**
 27 **county auditor and the fiscal body of the county and each**
 28 **township and municipality in the county the amount of**
 29 **tax revenue under this section that will be used under**
 30 **this clause to reduce each property tax levy imposed by**
 31 **the county, township, or municipality.**

32 **(v) Except as provided in subsection (g), the tax revenue**
 33 **under this section that is used to reduce the property tax**
 34 **levies imposed by the county, a township, or a**
 35 **municipality shall be treated for all purposes as property**
 36 **tax levies.**

37 **(g) The tax rate under this section shall not be considered for**
 38 **purposes of computing:**

39 **(1) the maximum income tax rate that may be imposed in a county**
 40 **under section 8 or 9 of this chapter or any other provision of this**
 41 **chapter; or**

42 **(2) the maximum permissible property tax levy under STEP**

1 EIGHT of IC 6-1.1-18.5-3(b).

2 (h) Tax revenue under this section shall be treated as a part of the
3 receiving civil taxing unit's or school corporation's property tax levy for
4 that year for purposes of fixing the budget of the civil taxing unit or
5 school corporation and for determining the distribution of taxes that are
6 distributed on the basis of property tax levies.

7 (i) The department of local government finance and the department
8 of state revenue may take any actions necessary to carry out the
9 purposes of this section.

10 (j) Notwithstanding any other provision, in Lake County the county
11 council (and not the county income tax council) is the entity authorized
12 to take actions concerning the tax rate under this section.

13 SECTION 316. IC 6-3.5-7-5, AS AMENDED BY P.L.224-2007,
14 SECTION 87, AND AS AMENDED BY P.L.232-2007, SECTION 3,
15 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
16 [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 5. (a)
17 Except as provided in subsection (c), the county economic
18 development income tax may be imposed on the adjusted gross income
19 of county taxpayers. The entity that may impose the tax is:

20 (1) the county income tax council (as defined in IC 6-3.5-6-1) if
21 the county option income tax is in effect on *January + March 31*
22 of the year the county economic development income tax is
23 imposed;

24 (2) the county council if the county adjusted gross income tax is
25 in effect on *January + March 31* of the year the county economic
26 development tax is imposed; or

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

30 To impose the county economic development income tax, a county
31 income tax council shall use the procedures set forth in IC 6-3.5-6
32 concerning the imposition of the county option income tax.

33 (b) Except as provided in subsections (c), (g), (k), (p), and (r) *and*
34 *section 28 of this chapter*, the county economic development income
35 tax may be imposed at a rate of:

36 (1) one-tenth percent (0.1%);

37 (2) two-tenths percent (0.2%);

38 (3) twenty-five hundredths percent (0.25%);

39 (4) three-tenths percent (0.3%);

40 (5) thirty-five hundredths percent (0.35%);

41 (6) four-tenths percent (0.4%);

42 (7) forty-five hundredths percent (0.45%); or

- 1 (8) five-tenths percent (0.5%);
 2 on the adjusted gross income of county taxpayers.
- 3 (c) Except as provided in subsection (h), (i), (j), (k), (l), (m), (n), (o),
 4 (p), (s), (v), ~~or (w), or (x)~~, **or (y)**, the county economic development
 5 income tax rate plus the county adjusted gross income tax rate, if any,
 6 that are in effect on January 1 of a year may not exceed one and
 7 twenty-five hundredths percent (1.25%). Except as provided in
 8 subsection (g), (p), (r), (t), (u), ~~or (w), or (x)~~, **or (y)**, the county
 9 economic development tax rate plus the county option income tax rate,
 10 if any, that are in effect on January 1 of a year may not exceed one
 11 percent (1%).
- 12 (d) To impose, increase, decrease, or rescind the county economic
 13 development income tax, the appropriate body must, after ~~January 1~~
 14 ~~March 31~~ but before ~~April~~ *August* 1 of a year, adopt an ordinance. The
 15 ordinance to impose the tax must substantially state the following:
 16 "The _____ County _____ imposes the county economic
 17 development income tax on the county taxpayers of _____
 18 County. The county economic development income tax is imposed at
 19 a rate of _____ percent (____%) on the county taxpayers of the
 20 county. This tax takes effect ~~July~~ *October* 1 of this year."
 21 (e) Any ordinance adopted under this chapter takes effect ~~July~~
 22 **October** 1 of the year the ordinance is adopted.
- 23 (f) The auditor of a county shall record all votes taken on ordinances
 24 presented for a vote under the authority of this chapter and shall, not
 25 more than ten (10) days after the vote, send a certified copy of the
 26 results to the commissioner of the department by certified mail.
- 27 (g) This subsection applies to a county having a population of more
 28 than one hundred forty-eight thousand (148,000) but less than one
 29 hundred seventy thousand (170,000). Except as provided in subsection
 30 (p), in addition to the rates permitted by subsection (b), the:
 31 (1) county economic development income tax may be imposed at
 32 a rate of:
 33 (A) fifteen-hundredths percent (0.15%);
 34 (B) two-tenths percent (0.2%); or
 35 (C) twenty-five hundredths percent (0.25%); and
 36 (2) county economic development income tax rate plus the county
 37 option income tax rate that are in effect on January 1 of a year
 38 may equal up to one and twenty-five hundredths percent (1.25%);
 39 if the county income tax council makes a determination to impose rates
 40 under this subsection and section 22 of this chapter.
- 41 (h) For a county having a population of more than forty-one
 42 thousand (41,000) but less than forty-three thousand (43,000), except

1 as provided in subsection (p), the county economic development
2 income tax rate plus the county adjusted gross income tax rate that are
3 in effect on January 1 of a year may not exceed one and thirty-five
4 hundredths percent (1.35%) if the county has imposed the county
5 adjusted gross income tax at a rate of one and one-tenth percent (1.1%)
6 under IC 6-3.5-1.1-2.5.

7 (i) For a county having a population of more than thirteen thousand
8 five hundred (13,500) but less than fourteen thousand (14,000), except
9 as provided in subsection (p), the county economic development
10 income tax rate plus the county adjusted gross income tax rate that are
11 in effect on January 1 of a year may not exceed one and fifty-five
12 hundredths percent (1.55%).

13 (j) For a county having a population of more than seventy-one
14 thousand (71,000) but less than seventy-one thousand four hundred
15 (71,400), except as provided in subsection (p), the county economic
16 development income tax rate plus the county adjusted gross income tax
17 rate that are in effect on January 1 of a year may not exceed one and
18 five-tenths percent (1.5%).

19 (k) This subsection applies to a county having a population of more
20 than twenty-seven thousand four hundred (27,400) but less than
21 twenty-seven thousand five hundred (27,500). Except as provided in
22 subsection (p), in addition to the rates permitted under subsection (b):

23 (1) the county economic development income tax may be imposed
24 at a rate of twenty-five hundredths percent (0.25%); and

25 (2) the sum of the county economic development income tax rate
26 and the county adjusted gross income tax rate that are in effect on
27 January 1 of a year may not exceed one and five-tenths percent
28 (1.5%);

29 if the county council makes a determination to impose rates under this
30 subsection and section 22.5 of this chapter.

31 (l) For a county having a population of more than twenty-nine
32 thousand (29,000) but less than thirty thousand (30,000), except as
33 provided in subsection (p), the county economic development income
34 tax rate plus the county adjusted gross income tax rate that are in effect
35 on January 1 of a year may not exceed one and five-tenths percent
36 (1.5%).

37 (m) For:

38 (1) a county having a population of more than one hundred
39 eighty-two thousand seven hundred ninety (182,790) but less than
40 two hundred thousand (200,000); or

41 (2) a county having a population of more than forty-five thousand
42 (45,000) but less than forty-five thousand nine hundred (45,900);

1 except as provided in subsection (p), the county economic development
 2 income tax rate plus the county adjusted gross income tax rate that are
 3 in effect on January 1 of a year may not exceed one and five-tenths
 4 percent (1.5%).

5 (n) For a county having a population of more than six thousand
 6 (6,000) but less than eight thousand (8,000), except as provided in
 7 subsection (p), the county economic development income tax rate plus
 8 the county adjusted gross income tax rate that are in effect on January
 9 1 of a year may not exceed one and five-tenths percent (1.5%).

10 (o) This subsection applies to a county having a population of more
 11 than thirty-nine thousand (39,000) but less than thirty-nine thousand
 12 six hundred (39,600). Except as provided in subsection (p), in addition
 13 to the rates permitted under subsection (b):

14 (1) the county economic development income tax may be imposed
 15 at a rate of twenty-five hundredths percent (0.25%); and

16 (2) the sum of the county economic development income tax rate
 17 and:

18 (A) the county adjusted gross income tax rate that are in effect
 19 on January 1 of a year may not exceed one and five-tenths
 20 percent (1.5%); or

21 (B) the county option income tax rate that are in effect on
 22 January 1 of a year may not exceed one and twenty-five
 23 hundredths percent (1.25%);

24 if the county council makes a determination to impose rates under this
 25 subsection and section 24 of this chapter.

26 (p) In addition:

27 (1) the county economic development income tax may be imposed
 28 at a rate that exceeds by not more than twenty-five hundredths
 29 percent (0.25%) the maximum rate that would otherwise apply
 30 under this section; and

31 (2) the:

32 (A) county economic development income tax; and

33 (B) county option income tax or county adjusted gross income
 34 tax;

35 may be imposed at combined rates that exceed by not more than
 36 twenty-five hundredths percent (0.25%) the maximum combined
 37 rates that would otherwise apply under this section.

38 However, the additional rate imposed under this subsection may not
 39 exceed the amount necessary to mitigate the increased ad valorem
 40 property taxes on homesteads (as defined in IC 6-1.1-20.9-1 **before**
 41 **January 1, 2009, or IC 6-1.1-12-37 after December 31, 2008**) or
 42 residential property (as defined in section 26 of this chapter), as

1 appropriate under the ordinance adopted by the adopting body in the
2 county, resulting from the deduction of the assessed value of inventory
3 in the county under IC 6-1.1-12-41 or IC 6-1.1-12-42 **or from the**
4 **exclusion in 2008 of inventory from the definition of personal**
5 **property in IC 6-1.1-1-11.**

6 (q) If the county economic development income tax is imposed as
7 authorized under subsection (p) at a rate that exceeds the maximum
8 rate that would otherwise apply under this section, the certified
9 distribution must be used for the purpose provided in section 25(e) or
10 26 of this chapter to the extent that the certified distribution results
11 from the difference between:

- 12 (1) the actual county economic development tax rate; and
- 13 (2) the maximum rate that would otherwise apply under this
14 section.

15 (r) This subsection applies only to a county described in section 27
16 of this chapter. Except as provided in subsection (p), in addition to the
17 rates permitted by subsection (b), the:

- 18 (1) county economic development income tax may be imposed at
19 a rate of twenty-five hundredths percent (0.25%); and
- 20 (2) county economic development income tax rate plus the county
21 option income tax rate that are in effect on January 1 of a year
22 may equal up to one and twenty-five hundredths percent (1.25%);
23 if the county council makes a determination to impose rates under this
24 subsection and section 27 of this chapter.

25 (s) Except as provided in subsection (p), the county economic
26 development income tax rate plus the county adjusted gross income tax
27 rate that are in effect on January 1 of a year may not exceed one and
28 five-tenths percent (1.5%) if the county has imposed the county
29 adjusted gross income tax under IC 6-3.5-1.1-3.3.

30 (t) This subsection applies to Howard County. Except as provided
31 in subsection (p), the sum of the county economic development income
32 tax rate and the county option income tax rate that are in effect on
33 January 1 of a year may not exceed one and twenty-five hundredths
34 percent (1.25%).

35 (u) This subsection applies to Scott County. Except as provided in
36 subsection (p), the sum of the county economic development income
37 tax rate and the county option income tax rate that are in effect on
38 January 1 of a year may not exceed one and twenty-five hundredths
39 percent (1.25%).

40 (v) This subsection applies to Jasper County. Except as provided in
41 subsection (p), the sum of the county economic development income
42 tax rate and the county adjusted gross income tax rate that are in effect

1 on January 1 of a year may not exceed one and five-tenths percent
2 (1.5%).

3 *(w) An additional county economic development income tax rate*
4 *imposed under section 28 of this chapter may not be considered in*
5 *calculating any limit under this section on the sum of:*

- 6 *(1) the county economic development income tax rate plus the*
7 *county adjusted gross income tax rate; or*
8 *(2) the county economic development tax rate plus the county*
9 *option income tax rate.*

10 ~~(w)~~ **(x)** *The income tax rate limits imposed by subsection (c) or ~~(x)~~*
11 *(y) or any other provision of this chapter do not apply to:*

- 12 *(1) a county adjusted gross income tax rate imposed under*
13 *IC 6-3.5-1.1-24, IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26; or*
14 *(2) a county option income tax rate imposed under IC 6-3.5-6-30,*
15 *IC 6-3.5-6-31, or IC 6-3.5-6-32.*

16 *For purposes of computing the maximum combined income tax rate*
17 *under subsection (c) or ~~(x)~~ (y) or any other provision of this chapter*
18 *that may be imposed in a county under IC 6-3.5-1.1, IC 6-3.5-6, and*
19 *this chapter, a county's county adjusted gross income tax rate or*
20 *county option income tax rate for a particular year does not include*
21 *the county adjusted gross income tax rate imposed under*
22 *IC 6-3.5-1.1-24, IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26 or the county*
23 *option income tax rate imposed under IC 6-3.5-6-30, IC 6-3.5-6-31, or*
24 *IC 6-3.5-6-32.*

25 ~~(x)~~ **(y)** *This subsection applies to Monroe County. Except as*
26 *provided in subsection (p), if an ordinance is adopted under*
27 *IC 6-3.5-6-33, the sum of the county economic development income tax*
28 *rate and the county option income tax rate that are in effect on*
29 *January 1 of a year may not exceed one and twenty-five hundredths*
30 *percent (1.25%).*

31 SECTION 317. IC 6-3.5-7-12, AS AMENDED BY P.L.232-2007,
32 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JANUARY 1, 2009]: Sec. 12. (a) Except as provided in sections 23, 25,
34 26, 27, and 28 of this chapter, the county auditor shall distribute in the
35 manner specified in this section the certified distribution to the county.

36 (b) Except as provided in subsections (c) and (h) and sections 15
37 and 25 of this chapter, the amount of the certified distribution that the
38 county and each city or town in a county is entitled to receive during
39 May and November of each year equals the product of the following:

- 40 (1) The amount of the certified distribution for that month;
41 multiplied by
42 (2) A fraction. The numerator of the fraction equals the sum of the

1 following:

2 (A) Total property taxes that are first due and payable to the
3 county, city, or town during the calendar year in which the
4 month falls; plus

5 (B) For a county, ~~an amount equal to the property taxes~~
6 ~~imposed by the county in 1999 for the county's welfare fund~~
7 ~~and welfare administration fund.~~ **the welfare allocation**
8 **amount.**

9 The denominator of the fraction equals the sum of the total
10 property taxes that are first due and payable to the county and all
11 cities and towns of the county during the calendar year in which
12 the month falls, plus **the welfare allocation amount. The**
13 **welfare allocation amount** is an amount equal to the **sum of the**
14 **property taxes imposed by the county in 1999 for the county's**
15 **welfare fund and welfare administration fund and, if the county**
16 **received a certified distribution under this chapter in 2008,**
17 **the property taxes imposed by the county in 2008 for the**
18 **county's county medical assistance to wards fund, family and**
19 **children's fund, children's psychiatric residential treatment**
20 **services fund, and children with special health care needs**
21 **county fund.**

22 (c) This subsection applies to a county council or county income tax
23 council that imposes a tax under this chapter after June 1, 1992. The
24 body imposing the tax may adopt an ordinance before July 1 of a year
25 to provide for the distribution of certified distributions under this
26 subsection instead of a distribution under subsection (b). The following
27 apply if an ordinance is adopted under this subsection:

28 (1) The ordinance is effective January 1 of the following year.

29 (2) Except as provided in sections 25 and 26 of this chapter, the
30 amount of the certified distribution that the county and each city
31 and town in the county is entitled to receive during May and
32 November of each year equals the product of:

33 (A) the amount of the certified distribution for the month;
34 multiplied by

35 (B) a fraction. For a city or town, the numerator of the fraction
36 equals the population of the city or the town. For a county, the
37 numerator of the fraction equals the population of the part of
38 the county that is not located in a city or town. The
39 denominator of the fraction equals the sum of the population
40 of all cities and towns located in the county and the population
41 of the part of the county that is not located in a city or town.

42 (3) The ordinance may be made irrevocable for the duration of

1 specified lease rental or debt service payments.

2 (d) The body imposing the tax may not adopt an ordinance under
3 subsection (c) if, before the adoption of the proposed ordinance, any of
4 the following have pledged the county economic development income
5 tax for any purpose permitted by IC 5-1-14 or any other statute:

6 (1) The county.

7 (2) A city or town in the county.

8 (3) A commission, a board, a department, or an authority that is
9 authorized by statute to pledge the county economic development
10 income tax.

11 (e) The department of local government finance shall provide each
12 county auditor with the fractional amount of the certified distribution
13 that the county and each city or town in the county is entitled to receive
14 under this section.

15 (f) Money received by a county, city, or town under this section
16 shall be deposited in the unit's economic development income tax fund.

17 (g) Except as provided in subsection (b)(2)(B), in determining the
18 fractional amount of the certified distribution the county and its cities
19 and towns are entitled to receive under subsection (b) during a calendar
20 year, the department of local government finance shall consider only
21 property taxes imposed on tangible property subject to assessment in
22 that county.

23 (h) In a county having a consolidated city, only the consolidated city
24 is entitled to the certified distribution, subject to the requirements of
25 sections 15, 25, and 26 of this chapter.

26 SECTION 318. IC 6-3.5-7-13.1, AS AMENDED BY P.L.1-2007,
27 SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JANUARY 1, 2009]: Sec. 13.1. (a) The fiscal officer of each county,
29 city, or town for a county in which the county economic development
30 tax is imposed shall establish an economic development income tax
31 fund. Except as provided in sections 23, 25, 26, and 27 of this chapter,
32 the revenue received by a county, city, or town under this chapter shall
33 be deposited in the unit's economic development income tax fund.

34 (b) **As used in this subsection, "homestead" means a homestead**
35 **that is eligible for a standard deduction under IC 6-1.1-12-37.**
36 Except as provided in sections 15, 23, 25, 26, and 27 of this chapter,
37 revenues from the county economic development income tax may be
38 used as follows:

39 (1) By a county, city, or town for economic development projects,
40 for paying, notwithstanding any other law, under a written
41 agreement all or a part of the interest owed by a private developer
42 or user on a loan extended by a financial institution or other

1 lender to the developer or user if the proceeds of the loan are or
2 are to be used to finance an economic development project, for
3 the retirement of bonds under section 14 of this chapter for
4 economic development projects, for leases under section 21 of
5 this chapter, or for leases or bonds entered into or issued prior to
6 the date the economic development income tax was imposed if
7 the purpose of the lease or bonds would have qualified as a
8 purpose under this chapter at the time the lease was entered into
9 or the bonds were issued.

10 (2) By a county, city, or town for:

11 (A) the construction or acquisition of, or remedial action with
12 respect to, a capital project for which the unit is empowered to
13 issue general obligation bonds or establish a fund under any
14 statute listed in IC 6-1.1-18.5-9.8;

15 (B) the retirement of bonds issued under any provision of
16 Indiana law for a capital project;

17 (C) the payment of lease rentals under any statute for a capital
18 project;

19 (D) contract payments to a nonprofit corporation whose
20 primary corporate purpose is to assist government in planning
21 and implementing economic development projects;

22 (E) operating expenses of a governmental entity that plans or
23 implements economic development projects;

24 (F) to the extent not otherwise allowed under this chapter,
25 funding substance removal or remedial action in a designated
26 unit; or

27 (G) funding of a revolving fund established under
28 IC 5-1-14-14.

29 (3) By a county, city, or town for any lawful purpose for which
30 money in any of its other funds may be used.

31 (4) By a city or county described in IC 36-7.5-2-3(b) for making
32 transfers required by IC 36-7.5-4-2. If the county economic
33 development income tax rate is increased after April 30, 2005, in
34 a county having a population of more than one hundred forty-five
35 thousand (145,000) but less than one hundred forty-eight
36 thousand (148,000), the first three million five hundred thousand
37 dollars (\$3,500,000) of the tax revenue that results each year from
38 the tax rate increase shall be used by the county only to make the
39 county's transfer required by IC 36-7.5-4-2. The first three million
40 five hundred thousand dollars (\$3,500,000) of the tax revenue that
41 results each year from the tax rate increase shall be paid by the
42 county treasurer to the treasurer of the northwest Indiana regional

1 development authority under IC 36-7.5-4-2 before certified
 2 distributions are made to the county or any cities or towns in the
 3 county under this chapter from the tax revenue that results each
 4 year from the tax rate increase. In a county having a population of
 5 more than one hundred forty-five thousand (145,000) but less
 6 than one hundred forty-eight thousand (148,000), all of the tax
 7 revenue that results each year from the tax rate increase that is in
 8 excess of the first three million five hundred thousand dollars
 9 (\$3,500,000) that results each year from the tax rate increase must
 10 be used by the county and cities and towns in the county for
 11 ~~additional~~ homestead credits under subdivision (5).

12 (5) This subdivision applies only in a county having a population
 13 of more than one hundred forty-five thousand (145,000) but less
 14 than one hundred forty-eight thousand (148,000). ~~Except as~~
 15 ~~otherwise provided, the procedures and definitions in~~
 16 ~~IC 6-1.1-20.9 apply to this subdivision.~~ All of the tax revenue that
 17 results each year from a tax rate increase described in subdivision
 18 (4) that is in excess of the first three million five hundred
 19 thousand dollars (\$3,500,000) that results each year from the tax
 20 rate increase must be used by the county and cities and towns in
 21 the county for ~~additional~~ homestead credits under this
 22 subdivision. The following apply to ~~additional~~ homestead credits
 23 provided under this subdivision:

24 (A) The ~~additional~~ homestead credits must be applied
 25 uniformly to ~~increase the~~ **provide a** homestead credit under
 26 ~~IC 6-1.1-20.9~~ for homesteads in the county, city, or town.

27 (B) The ~~additional~~ homestead credits shall be treated for all
 28 purposes as property tax levies. ~~The additional homestead~~
 29 ~~credits do not reduce the basis for determining the state~~
 30 ~~property tax replacement credit under IC 6-1.1-21 or the state~~
 31 ~~homestead credit under IC 6-1.1-20.9.~~

32 (C) The ~~additional~~ homestead credits shall be applied to the
 33 net property taxes due on the homestead after the application
 34 of all other assessed value deductions or property tax
 35 deductions and credits that apply to the amount owed under
 36 IC 6-1.1.

37 (D) The department of local government finance shall
 38 determine the ~~additional~~ homestead credit percentage for a
 39 particular year based on the amount of county economic
 40 development income tax revenue that will be used under this
 41 subdivision to provide ~~additional~~ homestead credits in that
 42 year.

1 (6) This subdivision applies only in a county having a population
 2 of more than four hundred thousand (400,000) but less than seven
 3 hundred thousand (700,000). ~~Except as otherwise provided, the~~
 4 ~~procedures and definitions in IC 6-1.1-20.9 apply to this~~
 5 ~~subdivision.~~ A county or a city or town in the county may use
 6 county economic development income tax revenue to provide
 7 ~~additional~~ homestead credits in the county, city, or town. The
 8 following apply to ~~additional~~ homestead credits provided under
 9 this subdivision:

10 (A) The county, city, or town fiscal body must adopt an
 11 ordinance authorizing the ~~additional~~ homestead credits. The
 12 ordinance must:

13 (i) be adopted before September 1 of a year to apply to
 14 property taxes first due and payable in the following year;
 15 and

16 (ii) specify the amount of county economic development
 17 income tax revenue that will be used to provide ~~additional~~
 18 homestead credits in the following year.

19 (B) A county, city, or town fiscal body that adopts an
 20 ordinance under this subdivision must forward a copy of the
 21 ordinance to the county auditor and the department of local
 22 government finance not more than thirty (30) days after the
 23 ordinance is adopted.

24 (C) The ~~additional~~ homestead credits must be applied
 25 uniformly to increase the homestead credit under IC 6-1.1-20.9
 26 for homesteads in the county, city, or town **(for property**
 27 **taxes first due and payable before January 1, 2009) or to**
 28 **provide a homestead credit for homesteads in the county,**
 29 **city, or town (for property taxes first due and payable after**
 30 **December 31, 2008).**

31 (D) The ~~additional~~ homestead credits shall be treated for all
 32 purposes as property tax levies. ~~The additional homestead~~
 33 ~~credits do not reduce the basis for determining the state~~
 34 ~~property tax replacement credit under IC 6-1.1-21 or the state~~
 35 ~~homestead credit under IC 6-1.1-20.9.~~

36 (E) The ~~additional~~ homestead credits shall be applied to the
 37 net property taxes due on the homestead after the application
 38 of all other assessed value deductions or property tax
 39 deductions and credits that apply to the amount owed under
 40 IC 6-1.1.

41 (F) The department of local government finance shall
 42 determine the ~~additional~~ homestead credit percentage for a

1 particular year based on the amount of county economic
 2 development income tax revenue that will be used under this
 3 subdivision to provide ~~additional~~ homestead credits in that
 4 year.

5 (7) For a regional venture capital fund established under section
 6 13.5 of this chapter or a local venture capital fund established
 7 under section 13.6 of this chapter.

8 (8) This subdivision applies only to a county:

9 (A) that has a population of more than one hundred ten
 10 thousand (110,000) but less than one hundred fifteen thousand
 11 (115,000); and

12 (B) in which:

13 (i) the county fiscal body has adopted an ordinance under
 14 IC 36-7.5-2-3(e) providing that the county is joining the
 15 northwest Indiana regional development authority; and

16 (ii) the fiscal body of the city described in IC 36-7.5-2-3(e)
 17 has adopted an ordinance under IC 36-7.5-2-3(e) providing
 18 that the city is joining the development authority.

19 Revenue from the county economic development income tax may
 20 be used by a county or a city described in this subdivision for
 21 making transfers required by IC 36-7.5-4-2. In addition, if the
 22 county economic development income tax rate is increased after
 23 June 30, 2006, in the county, the first three million five hundred
 24 thousand dollars (\$3,500,000) of the tax revenue that results each
 25 year from the tax rate increase shall be used by the county only to
 26 make the county's transfer required by IC 36-7.5-4-2. The first
 27 three million five hundred thousand dollars (\$3,500,000) of the
 28 tax revenue that results each year from the tax rate increase shall
 29 be paid by the county treasurer to the treasurer of the northwest
 30 Indiana regional development authority under IC 36-7.5-4-2
 31 before certified distributions are made to the county or any cities
 32 or towns in the county under this chapter from the tax revenue
 33 that results each year from the tax rate increase. All of the tax
 34 revenue that results each year from the tax rate increase that is in
 35 excess of the first three million five hundred thousand dollars
 36 (\$3,500,000) that results each year from the tax rate increase must
 37 be used by the county and cities and towns in the county for
 38 ~~additional~~ homestead credits under subdivision (9).

39 (9) This subdivision applies only to a county described in
 40 subdivision (8). ~~Except as otherwise provided, the procedures and~~
 41 ~~definitions in IC 6-1.1-20.9 apply to this subdivision.~~ All of the
 42 tax revenue that results each year from a tax rate increase

1 described in subdivision (8) that is in excess of the first three
 2 million five hundred thousand dollars (\$3,500,000) that results
 3 each year from the tax rate increase must be used by the county
 4 and cities and towns in the county for ~~additional~~ homestead
 5 credits under this subdivision. The following apply to ~~additional~~
 6 homestead credits provided under this subdivision:

7 (A) The ~~additional~~ homestead credits must be applied
 8 uniformly to ~~increase the~~ **provide a** homestead credit under
 9 ~~IC 6-1.1-20.9~~ for homesteads in the county, city, or town.

10 (B) The ~~additional~~ homestead credits shall be treated for all
 11 purposes as property tax levies. ~~The additional homestead~~
 12 ~~credits do not reduce the basis for determining the state~~
 13 ~~property tax replacement credit under IC 6-1.1-21 or the state~~
 14 ~~homestead credit under IC 6-1.1-20.9.~~

15 (C) The ~~additional~~ homestead credits shall be applied to the
 16 net property taxes due on the homestead after the application
 17 of all other assessed value deductions or property tax
 18 deductions and credits that apply to the amount owed under
 19 IC 6-1.1.

20 (D) The department of local government finance shall
 21 determine the ~~additional~~ homestead credit percentage for a
 22 particular year based on the amount of county economic
 23 development income tax revenue that will be used under this
 24 subdivision to provide ~~additional~~ homestead credits in that
 25 year.

26 (c) As used in this section, an economic development project is any
 27 project that:

28 (1) the county, city, or town determines will:

29 (A) promote significant opportunities for the gainful
 30 employment of its citizens;

31 (B) attract a major new business enterprise to the unit; or

32 (C) retain or expand a significant business enterprise within
 33 the unit; and

34 (2) involves an expenditure for:

35 (A) the acquisition of land;

36 (B) interests in land;

37 (C) site improvements;

38 (D) infrastructure improvements;

39 (E) buildings;

40 (F) structures;

41 (G) rehabilitation, renovation, and enlargement of buildings
 42 and structures;

1 (H) machinery;
2 (I) equipment;
3 (J) furnishings;
4 (K) facilities;
5 (L) administrative expenses associated with such a project,
6 including contract payments authorized under subsection
7 (b)(2)(D);
8 (M) operating expenses authorized under subsection (b)(2)(E);
9 or
10 (N) to the extent not otherwise allowed under this chapter,
11 substance removal or remedial action in a designated unit;
12 or any combination of these.

13 (d) If there are bonds outstanding that have been issued under
14 section 14 of this chapter or leases in effect under section 21 of this
15 chapter, a county, city, or town may not expend money from its
16 economic development income tax fund for a purpose authorized under
17 subsection (b)(3) in a manner that would adversely affect owners of the
18 outstanding bonds or payment of any lease rentals due.

19 SECTION 319. IC 6-3.5-7-23 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 23. (a) This
21 section applies only to a county having a population of more than
22 fifty-five thousand (55,000) but less than sixty-five thousand (65,000).

23 (b) The county council may by ordinance determine that, in order to
24 promote the development of libraries in the county and thereby
25 encourage economic development, it is necessary to use economic
26 development income tax revenue to replace library property taxes in
27 the county. However, a county council may adopt an ordinance under
28 this subsection only if all territory in the county is included in a library
29 district.

30 (c) If the county council makes a determination under subsection
31 (b), the county council may designate the county economic
32 development income tax revenue generated by the tax rate adopted
33 under section 5 of this chapter, or revenue generated by a portion of the
34 tax rate, as revenue that will be used to replace public library property
35 taxes imposed by public libraries in the county. The county council
36 may not designate for library property tax replacement purposes any
37 county economic development income tax revenue that is generated by
38 a tax rate of more than fifteen-hundredths percent (0.15%).

39 (d) The county treasurer shall establish a library property tax
40 replacement fund to be used only for the purposes described in this
41 section. County economic development income tax revenues derived
42 from the portion of the tax rate designated for property tax replacement

1 credits under subsection (c) shall be deposited in the library property
 2 tax replacement fund before certified distributions are made under
 3 section 12 of this chapter. Any interest earned on money in the library
 4 property tax replacement fund shall be credited to the library property
 5 tax replacement fund.

6 (e) The amount of county economic development income tax
 7 revenue dedicated to providing library property tax replacement credits
 8 shall, in the manner prescribed in this section, be allocated to public
 9 libraries operating in the county and shall be used by those public
 10 libraries as property tax replacement credits. The amount of property
 11 tax replacement credits that each public library in the county is entitled
 12 to receive during a calendar year under this section equals the lesser of:

13 (1) the product of:

14 (A) the amount of revenue deposited by the county auditor in
 15 the library property tax replacement fund; multiplied by

16 (B) a fraction described as follows:

17 (i) The numerator of the fraction equals the sum of the total
 18 property taxes that would have been collected by the public
 19 library during the previous calendar year from taxpayers
 20 located within the library district if the property tax
 21 replacement under this section had not been in effect.

22 (ii) The denominator of the fraction equals the sum of the
 23 total property taxes that would have been collected during
 24 the previous year from taxpayers located within the county
 25 by all public libraries that are eligible to receive property tax
 26 replacement credits under this section if the property tax
 27 replacement under this section had not been in effect; or

28 (2) the total property taxes that would otherwise be collected by
 29 the public library for the calendar year if the property tax
 30 replacement credit under this section were not in effect.

31 The department of local government finance shall make any
 32 adjustments necessary to account for the expansion of a library district.
 33 However, a public library is eligible to receive property tax
 34 replacement credits under this section only if it has entered into
 35 reciprocal borrowing agreements with all other public libraries in the
 36 county. If the total amount of county economic development income
 37 tax revenue deposited by the county auditor in the library property tax
 38 replacement fund for a calendar year exceeds the total property tax
 39 liability that would otherwise be imposed for public libraries in the
 40 county for the year, the excess shall remain in the library property tax
 41 replacement fund and shall be used for library property tax replacement
 42 purposes in the following calendar year.

1 (f) Notwithstanding subsection (e), if a public library did not impose
 2 a property tax levy during the previous calendar year, that public
 3 library is entitled to receive a part of the property tax replacement
 4 credits to be distributed for the calendar year. The amount of property
 5 tax replacement credits the public library is entitled to receive during
 6 the calendar year equals the product of:

7 (1) the amount of revenue deposited in the library property tax
 8 replacement fund; multiplied by

9 (2) a fraction. The numerator of the fraction equals the budget of
 10 the public library for that calendar year. The denominator of the
 11 fraction equals the aggregate budgets of public libraries in the
 12 county for that calendar year.

13 If for a calendar year a public library is allocated a part of the property
 14 tax replacement credits under this subsection, then the amount of
 15 property tax credits distributed to other public libraries in the county
 16 for the calendar year shall be reduced by the amount to be distributed
 17 as property tax replacement credits under this subsection. The
 18 department of local government finance shall make any adjustments
 19 required by this subsection and provide the adjustments to the county
 20 auditor.

21 (g) The department of local government finance shall inform the
 22 county auditor of the amount of property tax replacement credits that
 23 each public library in the county is entitled to receive under this
 24 section. The county auditor shall certify to each public library the
 25 amount of property tax replacement credits that the public library is
 26 entitled to receive during that calendar year. The county auditor shall
 27 also certify these amounts to the county treasurer.

28 (h) A public library receiving property tax replacement credits under
 29 this section shall allocate the credits among each fund for which a
 30 distinct property tax levy is imposed. The amount that must be
 31 allocated to each fund equals:

32 (1) the amount of property tax replacement credits provided to the
 33 public library under this section; multiplied by

34 (2) the amount determined in STEP THREE of the following
 35 formula:

36 STEP ONE: Determine the property taxes that would have
 37 been collected for each fund by the public library during the
 38 previous calendar year if the property tax replacement under
 39 this section had not been in effect.

40 STEP TWO: Determine the sum of the total property taxes that
 41 would have been collected for all funds by the public library
 42 during the previous calendar year if the property tax

1 replacement under this section had not been in effect.

2 STEP THREE: Divide the STEP ONE amount by the STEP
3 TWO amount.

4 However, if a public library did not impose a property tax levy during
5 the previous calendar year or did not impose a property tax levy for a
6 particular fund during the previous calendar year, but the public library
7 is imposing a property tax levy in the current calendar year or is
8 imposing a property tax levy for the particular fund in the current
9 calendar year, the department of local government finance shall adjust
10 the amount of property tax replacement credits allocated among the
11 various funds of the public library and shall provide the adjustment to
12 the county auditor. If a public library receiving property tax
13 replacement credits under this section does not impose a property tax
14 levy for a particular fund that is first due and payable in a calendar year
15 in which the property tax replacement credits are being distributed, the
16 public library is not required to allocate to that fund a part of the
17 property tax replacement credits to be distributed to the public library.
18 Notwithstanding IC 6-1.1-20-1.1(1), a public library that receives
19 property tax replacement credits under this section is subject to the
20 procedures for the issuance of bonds set forth in IC 6-1.1-20.

21 (i) For each public library that receives property tax credits under
22 this section, the department of local government finance shall certify
23 to the county auditor the property tax rate applicable to each fund after
24 the property tax replacement credits are allocated.

25 (j) A public library shall treat property tax replacement credits
26 received during a particular calendar year under this section as a part
27 of the public library's property tax levy for each fund for that same
28 calendar year for purposes of fixing the public library's budget and for
29 purposes of the property tax levy limits imposed by IC 6-1.1-18.5.

30 (k) ~~The property tax replacement credits that are received under this~~
31 ~~section do not reduce the total county tax levy that is used to compute~~
32 ~~the state property tax replacement credit under IC 6-1.1-21.~~ For the
33 purpose of computing and distributing certified distributions under
34 IC 6-3.5-1.1 and tax revenue under IC 6-5.5 or IC 6-6-5, the property
35 tax replacement credits that are received under this section shall be
36 treated as though they were property taxes that were due and payable
37 during that same calendar year.

38 SECTION 320. IC 6-3.5-7-26, AS AMENDED BY P.L.224-2007,
39 SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
40 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 26. (a) This section
41 applies only to homestead and property tax replacement credits for
42 property taxes first due and payable after calendar year 2006.

- 1 (b) The following definitions apply throughout this section:
- 2 (1) "Adopt" includes amend.
- 3 (2) "Adopting entity" means:
- 4 (A) the entity that adopts an ordinance under
- 5 IC 6-1.1-12-41(f); or
- 6 (B) any other entity that may impose a county economic
- 7 development income tax under section 5 of this chapter.
- 8 (3) "Homestead" refers to tangible property that is eligible for a
- 9 homestead credit under IC 6-1.1-20.9 **or the standard deduction**
- 10 **under IC 6-1.1-12-37.**
- 11 (4) "Residential" refers to the following:
- 12 (A) Real property, a mobile home, and industrialized housing
- 13 that would qualify as a homestead if the taxpayer had filed for
- 14 a homestead credit under IC 6-1.1-20.9 **or the standard**
- 15 **deduction under IC 6-1.1-12-37.**
- 16 (B) Real property not described in clause (A) designed to
- 17 provide units that are regularly used to rent or otherwise
- 18 furnish residential accommodations for periods of thirty (30)
- 19 days or more, regardless of whether the tangible property is
- 20 subject to assessment under rules of the department of local
- 21 government finance that apply to:
- 22 (i) residential property; or
- 23 (ii) commercial property.
- 24 (c) An adopting entity may adopt an ordinance to provide for the use
- 25 of the certified distribution described in section 16(c) of this chapter for
- 26 the purpose provided in subsection (e). An adopting entity that adopts
- 27 an ordinance under this subsection shall use the procedures set forth in
- 28 IC 6-3.5-6 concerning the adoption of an ordinance for the imposition
- 29 of the county option income tax. An ordinance must be adopted under
- 30 this subsection after January 1, 2006, and before June 1, 2006, or, in a
- 31 year following 2006, after March 31 but before August 1 of a calendar
- 32 year. The ordinance may provide for an additional rate under section
- 33 5(p) of this chapter. An ordinance adopted under this subsection:
- 34 (1) first applies to the certified distribution described in section
- 35 16(c) of this chapter made in the later of the calendar year that
- 36 immediately succeeds the calendar year in which the ordinance is
- 37 adopted or calendar year 2007; and
- 38 (2) must specify that the certified distribution must be used to
- 39 provide for one (1) of the following, as determined by the
- 40 adopting entity:
- 41 (A) Uniformly applied ~~increased~~ homestead credits as
- 42 provided in subsection (f).

1 (B) Uniformly applied ~~increased~~ residential credits as
2 provided in subsection (g).

3 (C) Allocated ~~increased~~ homestead credits as provided in
4 subsection (i).

5 (D) Allocated ~~increased~~ residential credits as provided in
6 subsection (j).

7 An ordinance adopted under this subsection may be combined with an
8 ordinance adopted under section 25 of this chapter.

9 (d) If an ordinance is adopted under subsection (c), the percentage
10 of the certified distribution specified in the ordinance for use for the
11 purpose provided in subsection (e) shall be:

- 12 (1) retained by the county auditor under subsection (k); and
13 (2) used for the purpose provided in subsection (e) instead of the
14 purposes specified in the capital improvement plans adopted
15 under section 15 of this chapter.

16 (e) If an ordinance is adopted under subsection (c), the adopting
17 entity shall use the certified distribution described in section 16(c) of
18 this chapter to:

19 (1) increase:

20 ~~(1)~~ (A) if the ordinance grants a credit described in subsection
21 (c)(2)(A) or (c)(2)(C), the homestead credit allowed in the
22 county under IC 6-1.1-20.9 for a year; or

23 ~~(2)~~ (B) if the ordinance grants a credit described in subsection
24 (c)(2)(B) or (c)(2)(D), the property tax replacement credit
25 allowed in the county under IC 6-1.1-21-5 for a year for the
26 residential property;

27 **for property taxes first due and payable before January 1,**
28 **2009; or**

29 (2) provide:

30 (A) if the ordinance grants a credit described in subsection
31 (c)(2)(A) or (c)(2)(C), a homestead credit for homesteads;
32 or

33 (B) if the ordinance grants a credit described in subsection
34 (c)(2)(B) or (c)(2)(D), a property tax replacement credit for
35 residential property;

36 **for property taxes first due and payable after December 31,**
37 **2008;**

38 to offset the effect on homesteads or residential property, as applicable,
39 in the county resulting from the statewide deduction for inventory
40 under IC 6-1.1-12-42 or from the exclusion in 2008 of inventory
41 from the definition of personal property in IC 6-1.1-1-11. The
42 amount of an ~~additional~~ a residential property tax replacement credit

1 granted under this section may not be considered in computing the
 2 amount of any homestead credit to which the residential property may
 3 be entitled under IC 6-1.1-20.9 (**before its repeal**) or another law other
 4 than IC 6-1.1-20.6.

5 (f) If the imposing entity specifies the application of uniform
 6 ~~increased~~ homestead credits under subsection (c)(2)(A), the county
 7 auditor shall, for each calendar year in which ~~an increased a~~ a homestead
 8 credit percentage is authorized under this section, determine:

9 (1) the amount of the certified distribution that is available to
 10 provide ~~an increased a~~ a homestead credit percentage **under this**
 11 **section** for the year;

12 (2) the amount of uniformly applied homestead credits for the
 13 year in the county that equals the amount determined under
 14 subdivision (1); and

15 (3) the ~~increased~~ percentage of homestead credit **under this**
 16 **section** that equates to the amount of homestead credits
 17 determined under subdivision (2).

18 (g) If the imposing entity specifies the application of uniform
 19 ~~increased~~ residential credits under subsection (c)(2)(B), the county
 20 auditor shall determine for each calendar year in which ~~an increased a~~ a
 21 homestead credit percentage is authorized under this section:

22 (1) the amount of the certified distribution that is available to
 23 provide ~~an increased a~~ a residential property tax replacement credit
 24 percentage for the year;

25 (2) the amount of uniformly applied residential property tax
 26 replacement credits for the year in the county that equals the
 27 amount determined under subdivision (1); and

28 (3) the ~~increased~~ percentage of residential property tax
 29 replacement credit **under this section** that equates to the amount
 30 of residential property tax replacement credits determined under
 31 subdivision (2).

32 (h) The ~~increased~~ percentage of homestead credit determined by the
 33 county auditor under subsection (f) or the ~~increased~~ percentage of
 34 residential property tax replacement credit determined by the county
 35 auditor under subsection (g) applies uniformly in the county in the
 36 calendar year for which the ~~increased~~ percentage is determined.

37 (i) If the imposing entity specifies the application of allocated
 38 ~~increased~~ homestead credits under subsection (c)(2)(C), the county
 39 auditor shall, for each calendar year in which ~~an increased a~~ a homestead
 40 credit is authorized under this section, determine:

41 (1) the amount of the certified distribution that is available to
 42 provide ~~an increased a~~ a homestead credit **under this section** for

1 the year; and
 2 (2) except as provided in subsection (1), ~~an increased~~ a percentage
 3 of homestead credit for each taxing district in the county that
 4 allocates to the taxing district an amount of ~~increased~~ homestead
 5 credits that bears the same proportion to the amount determined
 6 under subdivision (1) that the amount of inventory assessed value
 7 deducted under IC 6-1.1-12-42 in the taxing district for the
 8 ~~immediately preceding year's~~ assessment date **in 2006** bears to the
 9 total inventory assessed value deducted under IC 6-1.1-12-42 in
 10 the county for the ~~immediately preceding year's~~ assessment date
 11 **in 2006.**

12 (j) If the imposing entity specifies the application of allocated
 13 ~~increased~~ residential property tax replacement credits under subsection
 14 (c)(2)(D), the county auditor shall determine for each calendar year in
 15 which ~~an increased~~ a residential property tax replacement credit is
 16 authorized under this section:

17 (1) the amount of the certified distribution that is available to
 18 provide ~~an increased~~ residential property tax replacement credit
 19 **under this section** for the year; and

20 (2) except as provided in subsection (1), ~~an increased~~ a percentage
 21 of residential property tax replacement credit for each taxing
 22 district in the county that allocates to the taxing district an amount
 23 of ~~increased~~ residential property tax replacement credits that
 24 bears the same proportion to the amount determined under
 25 subdivision (1) that the amount of inventory assessed value
 26 deducted under IC 6-1.1-12-42 in the taxing district for the
 27 ~~immediately preceding year's~~ assessment date **in 2006** bears to the
 28 total inventory assessed value deducted under IC 6-1.1-12-42 in
 29 the county for the ~~immediately preceding year's~~ assessment date
 30 **in 2006.**

31 (k) The county auditor shall retain from the payments of the county's
 32 certified distribution an amount equal to the revenue lost, if any, due to
 33 the ~~increase of the~~ homestead credit or residential property tax
 34 replacement credit **provided under this section** within the county. The
 35 money shall be distributed to the civil taxing units and school
 36 corporations of the county:

37 (1) as if the money were from property tax collections; and

38 (2) in such a manner that no civil taxing unit or school
 39 corporation will suffer a net revenue loss because of the
 40 allowance of ~~an increased~~ a homestead credit or residential
 41 property tax replacement credit **under this section.**

42 (l) Subject to the approval of the imposing entity, the county auditor

1 may adjust the increased percentage of:

2 (1) homestead credit determined under subsection (i)(2) if the
3 county auditor determines that the adjustment is necessary to
4 achieve an equitable reduction of property taxes among the
5 homesteads in the county; or

6 (2) residential property tax replacement credit determined under
7 subsection (j)(2) if the county auditor determines that the
8 adjustment is necessary to achieve an equitable reduction of
9 property taxes among the residential property in the county.

10 SECTION 321. IC 6-5.5-8-2 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. (a) On or
12 before February 1, May 1, August 1, and December 1 of each year the
13 auditor of state shall transfer to each county auditor for distribution to
14 the taxing units (as defined in IC 6-1.1-1-21) in the county, an amount
15 equal to one-fourth (1/4) of the sum of the guaranteed amounts for all
16 the taxing units of the county. On or before August 1 of each year the
17 auditor of state shall transfer to each county auditor the supplemental
18 distribution for the county for the year.

19 (b) For purposes of determining distributions under subsection (c),
20 the department of local government finance shall determine a state
21 welfare allocation **and tuition support allocation** for each county
22 calculated as follows:

23 (1) ~~For 2000 and each year thereafter,~~ The state welfare allocation
24 for each county equals the greater of zero (0) or the amount
25 determined under the following formula:

26 STEP ONE: For 1997, 1998, and 1999, determine the result
27 of:

28 ~~(A)~~ (i) the amounts appropriated by the county in the year
29 for the county's county welfare fund and county welfare
30 administration fund; divided by

31 ~~(B)~~ (ii) the amounts appropriated by all the taxing units in
32 the county in the year.

33 STEP TWO: Determine the sum of the results determined in
34 STEP ONE.

35 STEP THREE: Divide the STEP TWO result by three (3).

36 STEP FOUR: Determine the amount that would otherwise be
37 distributed to ~~all the taxing units in~~ the county under
38 subsection ~~(b)~~ (c) without regard to this subdivision.

39 STEP FIVE: Determine the result of:

40 ~~(A)~~ (i) the STEP FOUR amount; multiplied by

41 ~~(B)~~ (ii) the STEP THREE result.

42 **STEP SIX: For 2006, 2007, and 2008, determine the result**

- 1 **of the following:**
- 2 **(i) The tax rate imposed by the county in the year for the**
- 3 **county's county medical assistance to wards fund, family**
- 4 **and children's fund, children's psychiatric residential**
- 5 **treatment services fund, and children with special health**
- 6 **care needs county fund; divided by**
- 7 **(ii) the aggregate tax rate imposed by the county unit in**
- 8 **the year.**
- 9 **STEP SEVEN: Determine the sum of the STEP SIX**
- 10 **amounts.**
- 11 **STEP EIGHT: Divide the STEP SEVEN result by three**
- 12 **(3).**
- 13 **STEP NINE: Determine the amount that would otherwise**
- 14 **be distributed to the county under subsection (c) without**
- 15 **regard to this subdivision.**
- 16 **STEP TEN: Determine the result of:**
- 17 **(i) the STEP EIGHT amount; multiplied by**
- 18 **(ii) the STEP NINE result.**
- 19 **STEP ELEVEN: Determine the sum of the STEP FIVE**
- 20 **amount and the STEP TEN amount.**
- 21 **(2) The tuition support allocation for each school corporation**
- 22 **equals the greater of zero (0) or the amount determined under**
- 23 **the following formula:**
- 24 **STEP ONE: For 2006, 2007, and 2008, determine the result**
- 25 **of:**
- 26 **(i) the tax rate imposed by the school corporation in the**
- 27 **year for the tuition support levy under IC 6-1.1-19-1.5**
- 28 **(repealed) or IC 20-45-3-11 (repealed) for the school**
- 29 **corporation's general fund; divided by**
- 30 **(ii) the aggregate tax rate imposed by the school**
- 31 **corporation in the year.**
- 32 **STEP TWO: Determine the sum of the results determined**
- 33 **under STEP ONE.**
- 34 **STEP THREE: Divide the STEP TWO result by three (3).**
- 35 **STEP FOUR: Determine the amount that would otherwise**
- 36 **be distributed to the school corporation under subsection**
- 37 **(c) without regard to this subdivision.**
- 38 **STEP FIVE: Determine the result of:**
- 39 **(i) the STEP FOUR amount; multiplied by**
- 40 **(ii) the STEP THREE result.**
- 41 ~~(2)~~ **(3) The state welfare allocation and tuition support**
- 42 **allocation shall be deducted from the distributions otherwise**

1 payable under subsection (c) to the **county** taxing unit ~~that is a~~
 2 ~~county~~ **and school corporations in the county** and shall be
 3 deposited in a ~~special account within the state general fund, as~~
 4 **directed by the budget agency.**

5 (c) A taxing unit's guaranteed distribution for a year is the greater
 6 of zero (0) or an amount equal to:

7 (1) the amount received by the taxing unit under IC 6-5-10
 8 (repealed) and IC 6-5-11 (repealed) in 1989; minus

9 (2) the amount to be received by the taxing unit in the year of the
 10 distribution, as determined by the department of local government
 11 finance, from property taxes attributable to the personal property
 12 of banks, exclusive of the property taxes attributable to personal
 13 property leased by banks as the lessor where the possession of the
 14 personal property is transferred to the lessee; minus

15 (3) in the case of a taxing unit that is a county, the amount that
 16 would have been received by the taxing unit in the year of the
 17 distribution, as determined by the department of local government
 18 finance from property taxes that:

19 (A) were calculated for the county's county welfare fund and
 20 county welfare administration fund for 2000 but were not
 21 imposed because of the repeal of IC 12-19-3 and IC 12-19-4;
 22 and

23 (B) would have been attributable to the personal property of
 24 banks, exclusive of the property taxes attributable to personal
 25 property leased by banks as the lessor where the possession of
 26 the personal property is transferred to the lessee.

27 (d) The amount of the supplemental distribution for a county for a
 28 year shall be determined using the following formula:

29 STEP ONE: Determine the greater of zero (0) or the difference
 30 between:

31 (A) one-half (1/2) of the taxes that the department estimates
 32 will be paid under this article during the year; minus

33 (B) the sum of all the guaranteed distributions, before the
 34 subtraction of all state welfare allocations **and tuition support**
 35 **allocations** under subsection ~~(a)~~, **(b)**, for all taxing units in all
 36 counties plus the bank personal property taxes to be received
 37 by all taxing units in all counties, as determined under
 38 subsection (c)(2) for the year.

39 STEP TWO: Determine the quotient of:

40 (A) the amount received under IC 6-5-10 (repealed) and
 41 IC 6-5-11 (repealed) in 1989 by all taxing units in the county;
 42 divided by

1 (B) the sum of the amounts received under IC 6-5-10
 2 (repealed) and IC 6-5-11 (repealed) in 1989 by all taxing units
 3 in all counties.

4 STEP THREE: Determine the product of:

5 (A) the amount determined in STEP ONE; multiplied by
 6 (B) the amount determined in STEP TWO.

7 STEP FOUR: Determine the greater of zero (0) or the difference
 8 between:

9 (A) the amount of supplemental distribution determined in
 10 STEP THREE for the county; minus

11 (B) the amount of refunds granted under IC 6-5-10-7
 12 (repealed) that have yet to be reimbursed to the state by the
 13 county treasurer under IC 6-5-10-13 (repealed).

14 For the supplemental distribution made on or before August 1 of each
 15 year, the department shall adjust the amount of each county's
 16 supplemental distribution to reflect the actual taxes paid under this
 17 article for the preceding year.

18 (e) Except as provided in ~~subsection~~ **subsections (g) and (h)**, the
 19 amount of the supplemental distribution for each taxing unit shall be
 20 determined using the following formula:

21 STEP ONE: Determine the quotient of:

22 (A) the amount received by the taxing unit under IC 6-5-10
 23 (repealed) and IC 6-5-11 (repealed) in 1989; divided by

24 (B) the sum of the amounts used in STEP ONE (A) for all
 25 taxing units located in the county.

26 STEP TWO: Determine the product of:

27 (A) the amount determined in STEP ONE; multiplied by

28 (B) the supplemental distribution for the county, as determined
 29 in subsection (d), STEP FOUR.

30 (f) The county auditor shall distribute the guaranteed and
 31 supplemental distributions received under subsection (a) to the taxing
 32 units in the county at the same time that the county auditor makes the
 33 semiannual distribution of real property taxes to the taxing units.

34 (g) The amount of a supplemental distribution paid to a taxing unit
 35 that is a county shall be reduced by an amount equal to:

36 ~~(1) the amount the county would receive under subsection (e)~~
 37 ~~without regard to this subsection minus~~

38 ~~(2)~~ **(1)** an amount equal to:

39 (A) the amount ~~under subdivision (1)~~ **the county would**
 40 **receive under subsection (e) without regard to this**
 41 **subsection;** multiplied by

42 (B) the result of the following:

- 1 (i) Determine the amounts appropriated by the county in
 2 1997, 1998, and 1999 ~~from~~ **for** the county's county welfare
 3 fund and county welfare administration fund, divided by the
 4 total amounts appropriated by all the taxing units in the
 5 county in the year.
- 6 (ii) Divide the amount determined in item (i) by three (3);
 7 **plus**
- 8 **(2) the amount the county would receive under subsection (e)**
 9 **without regard to this subsection multiplied by the result**
 10 **determined under the following formula:**
- 11 **(A) Determine the result of:**
- 12 **(i) the tax rate imposed by the county in 2006, 2007, and**
 13 **2008, for the county's county medical assistance to wards**
 14 **fund, family and children's fund, children's psychiatric**
 15 **residential treatment services fund, and children with**
 16 **special health care needs county fund; divided by**
- 17 **(ii) the aggregate tax rate imposed by the county in the**
 18 **year.**
- 19 **(B) Divide the clause (A) amount by three (3).**
- 20 **(h) The amount of a supplemental distribution paid to a school**
 21 **corporation shall be reduced by an amount equal to:**
- 22 **(1) the amount the school corporation would receive under**
 23 **subsection (e) without regard to this subsection; minus**
- 24 **(2) an amount equal to:**
- 25 **(A) the amount described in subdivision (1); multiplied by**
 26 **(B) the result of the following formula:**
- 27 **(i) Determine the tax rate imposed by the school**
 28 **corporation in 2006, 2007, and 2008 for the tuition**
 29 **support levy under IC 6-1.1-19-1.5 (repealed) or**
 30 **IC 20-45-3-11 (repealed) for the school corporation's**
 31 **general fund divided by the aggregate tax rate imposed**
 32 **by the school corporation in the year.**
- 33 **(ii) Divide the item (i) amount by three (3).**
- 34 **(i) The amounts deducted under subsections (g) and (h) shall be**
 35 **deposited in a state fund, as directed by the budget agency.**
- 36 SECTION 322. IC 6-6-5-2 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:
 38 Sec. 2. (a) There is imposed an annual license excise tax upon vehicles,
 39 which tax shall be in lieu of the ad valorem property tax levied for state
 40 or local purposes, but in addition to any registration fees imposed on
 41 such vehicles.
- 42 (b) The tax imposed by this chapter is a listed tax and subject to the

1 provisions of IC 6-8.1.

2 (c) No vehicle, as defined in section 1 of this chapter, ~~excepting~~
 3 ~~vehicles in the inventory of vehicles held for sale by a manufacturer,~~
 4 ~~distributor or dealer in the course of business,~~ shall be assessed as
 5 personal property for the purpose of the assessment and levy of
 6 personal property taxes or shall be subject to ad valorem taxes whether
 7 or not such vehicle is in fact registered pursuant to the motor vehicle
 8 registration laws. No person shall be required to give proof of the
 9 payment of ad valorem property taxes as a condition to the registration
 10 of any vehicle that is subject to the tax imposed by this chapter.

11 SECTION 323. IC 6-6-5-10 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 10. (a) The
 13 bureau shall establish procedures necessary for the collection of the tax
 14 imposed by this chapter and for the proper accounting for the same.
 15 The necessary forms and records shall be subject to approval by the
 16 state board of accounts.

17 (b) The county treasurer, upon receiving the excise tax collections,
 18 shall receipt such collections into a separate account for settlement
 19 thereof at the same time as property taxes are accounted for and settled
 20 in June and December of each year, with the right and duty of the
 21 treasurer and auditor to make advances prior to the time of final
 22 settlement of such property taxes in the same manner as provided in
 23 IC 5-13-6-3.

24 (c) **As used in this subsection, "taxing district" has the meaning**
 25 **set forth in IC 6-1.1-1-20, "taxing unit" has the meaning set forth**
 26 **in IC 6-1.1-1-21, and "tuition support levy" refers to a school**
 27 **corporation's tuition support property tax levy under**
 28 **IC 20-45-3-11 (repealed) for the school corporation's general fund.**
 29 The county auditor shall determine the total amount of excise taxes
 30 collected for each taxing ~~unit~~ **district** in the county and the amount so
 31 collected (and the distributions received under section 9.5 of this
 32 chapter) shall be apportioned and distributed among the respective
 33 funds of ~~each~~ **the taxing unit units** in the same manner and at the same
 34 time as property taxes are apportioned and distributed. However, for
 35 purposes of determining distributions under this section for ~~2000~~ **2009**
 36 and each year thereafter, ~~the state welfare allocation for each county~~
 37 ~~equals the greater of zero (0) or the amount determined under STEP~~
 38 ~~FIVE of the following STEPS:~~

39 **STEP ONE:** For 1997, 1998, and 1999, ~~determine the result of:~~
 40 (i) ~~the amounts appropriated by the county in the year from the~~
 41 ~~county's county welfare fund and county welfare~~
 42 ~~administration fund;~~ **divided by**

1 (ii) the total amounts appropriated by all the taxing units in the
2 county in the year:

3 STEP TWO: Determine the sum of the results determined in
4 STEP ONE:

5 STEP THREE: Divide the STEP TWO result by three (3):

6 STEP FOUR: Determine the amount that would otherwise be
7 distributed to all the taxing units in the county under this
8 subsection without regard to this subdivision:

9 STEP FIVE: Determine the result of:

10 (i) the STEP FOUR amount; multiplied by

11 (ii) the STEP THREE result:

12 **The a state welfare and tuition support allocation shall be deducted**
13 **from the total amount available for apportionment and distribution to**
14 **taxing units under this section before any apportionment and**
15 **distribution is made. The county auditor shall remit the state welfare**
16 **and tuition support allocation to the treasurer of state for deposit in**
17 **a special account within the state general fund: as directed by the**
18 **budget agency. The amount of the state welfare and tuition support**
19 **allocation for a county for a particular year is equal to the result**
20 **determined under STEP FOUR of the following formula:**

21 **STEP ONE: Determine the result of the following:**

22 **(A) Separately for 1997, 1998, and 1999 for each taxing**
23 **district in the county, determine the result of:**

24 **(i) the amount appropriated in the year by the county in**
25 **the year from the county's county welfare fund and**
26 **county welfare administration fund; divided by**

27 **(ii) the total amounts appropriated by all taxing units in**
28 **the county for the same year.**

29 **(B) Determine the sum of the clause (A) amounts.**

30 **(C) Divide the clause (B) amount by three (3).**

31 **(D) Determine the result of:**

32 **(i) the amount of excise taxes allocated to the taxing**
33 **district that would otherwise be available for**
34 **distribution to taxing units in the taxing district;**
35 **multiplied by**

36 **(ii) the clause (C) amount.**

37 **STEP TWO: Determine the result of the following:**

38 **(A) Separately for 2006, 2007, and 2008 for each taxing**
39 **district in the county, determine the result of:**

40 **(i) the tax rate imposed in the taxing district for the**
41 **county's county medical assistance to wards fund, family**
42 **and children's fund, children's psychiatric residential**

- 1 treatment services fund, and children with special health
 2 care needs county fund; divided by
 3 (ii) the aggregate tax rate imposed in the taxing district
 4 for the same year.
- 5 (B) Determine the sum of the clause (A) amounts.
- 6 (C) Divide the clause (B) amount by three (3).
- 7 (D) Determine the result of:
- 8 (i) the amount of excise taxes allocated to the taxing
 9 district that would otherwise be available for
 10 distribution to taxing units in the taxing district after
 11 subtracting the STEP ONE (D) amount for the same
 12 taxing district; multiplied by
 13 (ii) the clause (C) amount.
- 14 (E) Determine the sum of the clause (D) amounts for all
 15 taxing districts in the county.
- 16 **STEP THREE: Determine the result of the following:**
- 17 (A) Separately for 2006, 2007, and 2008 for each taxing
 18 district in the county, determine the result of:
- 19 (i) the tuition support levy tax rate imposed in the taxing
 20 district; divided by
 21 (ii) the aggregate tax rate imposed in the taxing district
 22 for the same year.
- 23 (B) Determine the sum of the clause (A) amounts.
- 24 (C) Divide the clause (B) amount by three (3).
- 25 (D) Determine the result of:
- 26 (i) the amount of excise taxes allocated to the taxing
 27 district that would otherwise be available for
 28 distribution to taxing units in the taxing district after
 29 subtracting the STEP ONE (D) amount for the same
 30 taxing district; multiplied by
 31 (ii) the clause (C) amount.
- 32 (E) Determine the sum of the clause (D) amounts for all
 33 taxing districts in the county.
- 34 **STEP FOUR: Determine the sum of the STEP ONE, STEP**
 35 **TWO, and STEP THREE amounts for the county.**
- 36 **If the boundaries of a taxing district change after the years for**
 37 **which a ratio is calculated under STEP ONE, STEP TWO, or**
 38 **STEP THREE, the budget agency shall establish a ratio for the**
 39 **new taxing district that reflects the tax rates imposed in the**
 40 **predecessor taxing districts.**
- 41 (d) Such determination shall be made from copies of vehicle
 42 registration forms furnished by the bureau of motor vehicles. Prior to

1 such determination, the county assessor of each county shall, from
 2 copies of registration forms, cause information pertaining to legal
 3 residence of persons owning taxable vehicles to be verified from the
 4 assessor's records, to the extent such verification can be so made. The
 5 assessor shall further identify and verify from the assessor's records the
 6 several taxing units within which such persons reside.

7 (e) Such verifications shall be done by not later than thirty (30) days
 8 after receipt of vehicle registration forms by the county assessor, and
 9 the assessor shall certify such information to the county auditor for the
 10 auditor's use as soon as it is checked and completed.

11 SECTION 324. IC 6-6-5.5-7 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 7. (a) For
 13 calendar years that begin after December 31, 2000, the annual excise
 14 tax for a commercial vehicle will be determined by the motor carrier
 15 services division on or before October 1 of each year in accordance
 16 with the following formula:

17 STEP ONE: Determine the total amount of base revenue to be
 18 distributed from the commercial vehicle excise tax fund to all
 19 taxing units in Indiana during the calendar year for which the tax
 20 is first due and payable. For calendar year 2001, the total amount
 21 of base revenue for all taxing units shall be determined as
 22 provided in section 19 of this chapter. For calendar years that
 23 begin after December 31, 2001, **and before January 1, 2009**, the
 24 total amount of base revenue for all taxing units shall be
 25 determined by multiplying the previous year's base revenue for all
 26 taxing units by one hundred five percent (105%). **For calendar**
 27 **years that begin after December 31, 2008, the total amount of**
 28 **base revenue for all taxing units shall be determined as**
 29 **provided in section 19 of this chapter.**

30 STEP TWO: Determine the sum of fees paid to register the
 31 following commercial vehicles in Indiana under the following
 32 statutes during the fiscal year that ends June 30 immediately
 33 preceding the calendar year for which the tax is first due and
 34 payable:

35 (A) Total registration fees collected under IC 9-29-5-3 for
 36 commercial vehicles with a declared gross weight in excess of
 37 eleven thousand (11,000) pounds, including trucks, tractors
 38 not used with semitrailers, traction engines, and other similar
 39 vehicles used for hauling purposes;

40 (B) Total registration fees collected under IC 9-29-5-5 for
 41 tractors used with semitrailers;

42 (C) Total registration fees collected under IC 9-29-5-6 for

1 semitrailers used with tractors;
 2 (D) Total registration fees collected under IC 9-29-5-4 for
 3 trailers having a declared gross weight in excess of three
 4 thousand (3,000) pounds; and
 5 (E) Total registration fees collected under IC 9-29-5-13 for
 6 trucks, tractors and semitrailers used in connection with
 7 agricultural pursuits usual and normal to the user's farming
 8 operation, multiplied by two hundred percent (200%);
 9 STEP THREE: Determine the tax factor by dividing the STEP
 10 ONE result by the STEP TWO result.

11 (b) Except as otherwise provided in this chapter, the annual excise
 12 tax for commercial vehicles with a declared gross weight in excess of
 13 eleven thousand (11,000) pounds, including trucks, tractors not used
 14 with semitrailers, traction engines, and other similar vehicles used for
 15 hauling purposes, shall be determined by multiplying the registration
 16 fee under IC 9-29-5-3 by the tax factor determined in subsection (a).

17 (c) Except as otherwise provided in this chapter, the annual excise
 18 tax for tractors used with semitrailers shall be determined by
 19 multiplying the registration fee under IC 9-29-5-5 by the tax factor
 20 determined in subsection (a).

21 (d) Except as otherwise provided in this chapter, the annual excise
 22 tax for trailers having a declared gross weight in excess of three
 23 thousand (3,000) pounds shall be determined by multiplying the
 24 registration fee under IC 9-29-5-4 by the tax factor determined in
 25 subsection (a).

26 (e) The annual excise tax for a semitrailer shall be determined by
 27 multiplying the average annual registration fee under IC 9-29-5-6 by
 28 the tax factor determined in subsection (a). The average annual
 29 registration fee for a semitrailer under IC 9-29-5-6 is sixteen dollars
 30 and seventy-five cents (\$16.75).

31 (f) The annual excise tax determined under this section shall be
 32 rounded upward to the next full dollar amount.

33 SECTION 325. IC 6-6-5.5-19 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 19. (a) As used in this
 35 section, "assessed value" means an amount equal to the true tax value
 36 of commercial vehicles that:

37 (1) are subject to the commercial vehicle excise tax under this
 38 chapter; and

39 (2) would have been subject to assessment as personal property
 40 on March 1, 2000, under the law in effect before January 1, 2000.

41 (b) For calendar year 2001, a taxing unit's base revenue shall be
 42 determined as provided in subsection (f). For calendar years that begin

1 after December 31, 2001, **and before January 1, 2009**, a taxing unit's
 2 base revenue shall be determined by multiplying the previous year's
 3 base revenue by one hundred five percent (105%). **For calendar years**
 4 **that begin after December 31, 2008, a taxing unit's base revenue is**
 5 **equal to:**

- 6 (1) **the amount of commercial vehicle excise tax collected**
 7 **during the previous fiscal year; multiplied by**
 8 (2) **the taxing unit's percentage as determined in subsection**
 9 **(f).**

10 (c) The amount of commercial vehicle excise tax distributed to the
 11 taxing units of Indiana from the commercial vehicle excise tax fund
 12 shall be determined in the manner provided in this section. ~~On or~~
 13 ~~before June 1, 2000; each township assessor of a county shall deliver~~
 14 ~~to the county assessor a list that states by taxing district the total~~
 15 ~~assessed value as shown on the information returns filed with the~~
 16 ~~assessor on or before May 15, 2000.~~

17 (d) On or before July 1, 2000, each county assessor shall certify to
 18 the county auditor the assessed value of commercial vehicles in every
 19 taxing district.

20 (e) On or before August 1, 2000, the county auditor shall certify the
 21 following to the department of local government finance:

- 22 (1) The total assessed value of commercial vehicles in the county.
 23 (2) The total assessed value of commercial vehicles in each taxing
 24 district of the county.

25 (f) The department of local government finance shall determine
 26 each taxing unit's base revenue by applying the current tax rate for each
 27 taxing district to the certified assessed value from each taxing district.
 28 The department of local government finance shall also determine the
 29 following:

- 30 (1) The total amount of base revenue to be distributed from the
 31 commercial vehicle excise tax fund in 2001 to all taxing units in
 32 Indiana.
 33 (2) The total amount of base revenue to be distributed from the
 34 commercial vehicle excise tax fund in 2001 to all taxing units in
 35 each county.
 36 (3) Each county's total distribution percentage. A county's total
 37 distribution percentage shall be determined by dividing the total
 38 amount of base revenue to be distributed in 2001 to all taxing
 39 units in the county by the total base revenue to be distributed
 40 statewide.
 41 (4) Each taxing unit's distribution percentage. A taxing unit's
 42 distribution percentage shall be determined by dividing each

1 taxing unit's base revenue by the total amount of base revenue to
2 be distributed in 2001 to all taxing units in the county.

3 (g) The department of local government finance shall certify each
4 taxing unit's base revenue and distribution percentage for calendar year
5 2001 to the auditor of state on or before September 1, 2000.

6 (h) The auditor of state shall keep permanent records of each taxing
7 unit's base revenue and distribution percentage for calendar year 2001
8 for purposes of determining the amount of money each taxing unit in
9 Indiana is entitled to receive in calendar years that begin after
10 December 31, 2001.

11 SECTION 326. IC 6-6-5.5-20 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 20. (a) On or
13 before May 1, **subject to subsections (c) and (d)**, the auditor of state
14 shall distribute to each county auditor an amount equal to fifty percent
15 (50%) of the ~~total base revenue to be distributed to all taxing units in~~
16 ~~the county for that year.~~ **product of:**

- 17 **(1) the county's distribution percentage; multiplied by**
18 **(2) the total commercial vehicle excise tax deposited in the**
19 **commercial vehicle excise tax fund.**

20 (b) On or before December 1, **subject to subsections (c) and (d)**,
21 the auditor of state shall distribute to each county auditor an amount
22 equal to the greater of the following:

- 23 (1) Fifty percent (50%) of the ~~total base revenue to be distributed~~
24 ~~to all taxing units in the county for that year.~~ **product of:**
25 **(A) the county's distribution percentage; multiplied by**
26 **(B) the total commercial vehicle excise tax deposited in the**
27 **commercial vehicle excise tax fund.**

28 (2) The product of the county's distribution percentage multiplied
29 by the total commercial vehicle excise tax revenue deposited in
30 the commercial vehicle excise tax fund.

31 **(c) Before distributing the amounts under subsections (a) and**
32 **(b), the auditor of state shall deduct for a county unit an amount**
33 **for deposit in a state fund, as directed by the budget agency, equal**
34 **to the result determined under STEP FIVE of the following**
35 **formula:**

36 **STEP ONE: Separately for 2006, 2007, and 2008, determine**
37 **the result of the following:**

- 38 **(A) The tax rate imposed by the county in the year for the**
39 **county's county medical assistance to wards fund, family**
40 **and children's fund, children's psychiatric residential**
41 **treatment services fund, and children with special health**
42 **care needs county fund; divided by**

- 1 **(B) the aggregate tax rate imposed by the county unit in**
 2 **the year.**
- 3 **STEP TWO: Determine the sum of the STEP ONE amounts.**
 4 **STEP THREE: Divide the STEP TWO result by three (3).**
 5 **STEP FOUR: Determine the amount that would otherwise be**
 6 **distributed to the county under subsection (a) or (b), as**
 7 **appropriate, without regard to this subsection.**
 8 **STEP FIVE: Determine the result of:**
- 9 **(A) the STEP THREE amount; multiplied by**
 10 **(B) the STEP FOUR result.**
- 11 **(d) Before distributing the amounts under subsections (a) and**
 12 **(b), the auditor of state shall deduct for a school corporation an**
 13 **amount for deposit in a state fund, as directed by the budget**
 14 **agency, equal to the result determined under STEP FIVE of the**
 15 **following formula:**
- 16 **STEP ONE: Separately for 2006, 2007, and 2008, determine**
 17 **the result of:**
- 18 **(A) the tax rate imposed by the school corporation in the**
 19 **year for the tuition support levy under IC 6-1.1-19-1.5**
 20 **(repealed) or IC 20-45-3-11 (repealed) for the school**
 21 **corporation's general fund; divided by**
 22 **(B) the aggregate tax rate imposed by the school**
 23 **corporation in the year.**
- 24 **STEP TWO: Determine the sum of the results determined**
 25 **under STEP ONE.**
- 26 **STEP THREE: Divide the STEP TWO result by three (3).**
 27 **STEP FOUR: Determine the amount of commercial vehicle**
 28 **excise tax that would otherwise be distributed to the school**
 29 **corporation under subsection (a) or (b), as appropriate,**
 30 **without regard to this subsection.**
- 31 **STEP FIVE: Determine the result of:**
- 32 **(A) the STEP FOUR amount; multiplied by**
 33 **(B) the STEP THREE result.**
- 34 ~~(c)~~ **(e) Upon receipt, the county auditor shall distribute to the taxing**
 35 **units an amount equal to the product of the taxing unit's distribution**
 36 **percentage multiplied by the total distributed to the county under this**
 37 **section. The amount determined shall be apportioned and distributed**
 38 **among the respective funds of each taxing unit in the same manner and**
 39 **at the same time as property taxes are apportioned and distributed.**
- 40 **(d) In the event that sufficient funds are not available in the**
 41 **commercial vehicle excise tax fund for the distributions required by**
 42 **subsection (a) and subsection (b)(1), the auditor of state shall transfer**

1 funds from the commercial vehicle excise tax reserve fund:

2 ~~(e)~~ (f) The auditor of state shall, not later than July 1 of each year,
3 furnish to each county auditor an estimate of the amounts to be
4 distributed to the counties under this section during the next calendar
5 year. Before August 1, each county auditor shall furnish to the proper
6 officer of each taxing unit of the county an estimate of the amounts to
7 be distributed to the taxing units under this section during the next
8 calendar year and the budget of each taxing unit shall show the
9 estimated amounts to be received for each fund for which a property
10 tax is proposed to be levied.

11 SECTION 327. IC 6-6-6.5-21 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 21. (a) The
13 department shall allocate each aircraft excise tax payment collected by
14 it to the county in which the aircraft is usually located when not in
15 operation or to the aircraft owner's county of residence if based out of
16 state. The department shall distribute to each county treasurer on a
17 quarterly basis the aircraft excise taxes which were collected by the
18 department during the preceding three (3) months and which the
19 department has allocated to that county. The distribution shall be made
20 on or before the fifteenth of the month following each quarter and the
21 first distribution each year shall be made in April.

22 (b) Concurrently with making a distribution of aircraft excise taxes,
23 the department shall send an aircraft excise tax report to the county
24 treasurer and the county auditor. The department shall prepare the
25 report on the form prescribed by the state board of accounts. The
26 aircraft excise tax report must include aircraft identification, owner
27 information, and excise tax payment, and must indicate the county
28 where the aircraft is normally kept when not in operation. The
29 department shall, in the manner prescribed by the state board of
30 accounts, maintain records concerning the aircraft excise taxes
31 received and distributed by it.

32 (c) Except as provided in section 21.5 of this chapter, each county
33 treasurer shall deposit money received by him under this chapter in a
34 separate fund to be known as the "aircraft excise tax fund". The money
35 in the aircraft excise tax fund shall be distributed to the taxing units of
36 the county in the manner prescribed in subsection (d).

37 (d) **As used in this subsection, "taxing district" has the meaning**
38 **set forth in IC 6-1.1-1-20, "taxing unit" has the meaning set forth**
39 **in IC 6-1.1-1-21, and "tuition support levy" refers to a school**
40 **corporation's tuition support property tax levy under**
41 **IC 20-45-3-11 (repealed) for the school corporation's general fund.**
42 In order to distribute the money in the county aircraft excise tax fund

1 to the taxing units of the county, the county auditor shall first allocate
 2 the money in the fund among the taxing districts of the county. In
 3 making these allocations, the county auditor shall allocate to a taxing
 4 district the excise taxes collected with respect to aircraft usually
 5 located in the taxing district when not in operation. **Subject to this**
 6 **subsection**, the money allocated to a taxing district shall be
 7 apportioned and distributed among the taxing units of that taxing
 8 district in the same manner and at the same time that the property taxes
 9 are apportioned and distributed. **For purposes of determining the**
 10 **distribution for a year under this section for a taxing unit, a state**
 11 **welfare and tuition support allocation shall be deducted from the**
 12 **total amount available for apportionment and distribution to**
 13 **taxing units under this section before any apportionment and**
 14 **distribution is made. The county auditor shall remit the state**
 15 **welfare and tuition support allocation to the treasurer of state for**
 16 **deposit as directed by the budget agency. The amount of the state**
 17 **welfare and tuition support allocation for a county for a particular**
 18 **year is equal to the result determined under STEP THREE of the**
 19 **following formula:**

20 **STEP ONE: Determine the result of the following:**

21 **(A) Separately for 2006, 2007, and 2008 for each taxing**
 22 **district in the county, determine the result of:**

23 **(i) the tax rate imposed in the taxing district for the**
 24 **county's county medical assistance to wards fund, family**
 25 **and children's fund, children's psychiatric residential**
 26 **treatment services fund, and children with special health**
 27 **care needs county fund; divided by**

28 **(ii) the aggregate tax rate imposed in the taxing district**
 29 **for the same year.**

30 **(B) Determine the sum of the clause (A) amounts.**

31 **(C) Divide the clause (B) amount by three (3).**

32 **(D) Determine the result of:**

33 **(i) the amount of excise taxes allocated to the taxing**
 34 **district that would otherwise be available for**
 35 **distribution to taxing units in the taxing district;**
 36 **multiplied by**

37 **(ii) the clause (C) amount.**

38 **(E) Determine the sum of the clause (D) amounts for all**
 39 **taxing districts in the county.**

40 **STEP TWO: Determine the result of the following:**

41 **(A) Separately for 2006, 2007, and 2008 for each taxing**
 42 **district in the county, determine the result of:**

- 1 **(i) the tuition support levy tax rate imposed in the taxing**
 2 **district; divided by**
 3 **(ii) the aggregate tax rate imposed in the taxing district**
 4 **for the same year.**
 5 **(B) Determine the sum of the clause (A) amounts.**
 6 **(C) Divide the clause (B) amount by three (3).**
 7 **(D) Determine the result of:**
 8 **(i) the amount of excise taxes allocated to the taxing**
 9 **district that would otherwise be available for**
 10 **distribution to taxing units in the taxing district;**
 11 **multiplied by**
 12 **(ii) the clause (C) amount.**
 13 **(E) Determine the sum of the clause (D) amounts for all**
 14 **taxing districts in the county.**

15 **STEP THREE: Determine the sum of the STEP ONE and**
 16 **STEP TWO amounts for the county.**

17 **If the boundaries of a taxing district change after the years for**
 18 **which a ratio is calculated under STEP ONE or STEP TWO, the**
 19 **budget agency shall establish a ratio for the new taxing district that**
 20 **reflects the tax rates imposed in the predecessor taxing districts.**

21 (e) Within thirty (30) days following the receipt of excise taxes from
 22 the department, the county treasurer shall file a report with the county
 23 auditor concerning the aircraft excise taxes collected by the county
 24 treasurer. The county treasurer shall file the report on the form
 25 prescribed by the state board of accounts. The county treasurer shall,
 26 in the manner and at the times prescribed in IC 6-1.1-27, make a
 27 settlement with the county auditor for the aircraft excise taxes collected
 28 by the county treasurer. The county treasurer shall, in the manner
 29 prescribed by the state board of accounts, maintain records concerning
 30 the aircraft excise taxes received and distributed by him.

31 SECTION 328. IC 6-6-11-9 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:
 33 Sec. 9. A boat is exempt from the boat excise tax imposed for a year if
 34 the boat is:

- 35 (1) owned by the United States;
 36 (2) owned by the state or one (1) of its political subdivisions (as
 37 defined in IC 36-1-2-13);
 38 (3) owned by an organization exempt from federal income
 39 taxation under 501(c)(3) of the Internal Revenue Code;
 40 (4) a human powered vessel, as determined by the department of
 41 natural resources;
 42 (5) held by a boat manufacturer, distributor, or dealer for sale in

- 1 the ordinary course of business; ~~and subject to assessment under~~
 2 ~~IC 6-1.1;~~
 3 (6) used by a person for the production of income and subject to
 4 assessment under IC 6-1.1;
 5 (7) stored in Indiana for less than twenty-two (22) consecutive
 6 days and not operated, used, or docked in Indiana;
 7 (8) registered outside Indiana and operated, used, or docked in
 8 Indiana for a combined total of less than twenty-two (22)
 9 consecutive days during the boating year; or
 10 (9) subject to the commercial vessel tonnage tax under IC 6-6-6.

11 SECTION 329. IC 6-6-11-31 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 31. (a) A boat
 13 excise tax fund is established in each county. Each county treasurer
 14 shall deposit in the fund the taxes received under this chapter.

15 (b) **As used in this subsection, "taxing district" has the meaning**
 16 **set forth in IC 6-1.1-1-20, "taxing unit" has the meaning set forth**
 17 **in IC 6-1.1-1-21, and "tuition support levy" refers to a school**
 18 **corporation's tuition support property tax levy under**
 19 **IC 20-45-3-11 (repealed) for the school corporation's general fund.**
 20 The excise tax money in the county boat excise tax fund shall be
 21 distributed to the taxing units of the county. The county auditor shall
 22 allocate the money in the fund among the taxing ~~units~~ **districts** of the
 23 county based on the tax situs of each boat. **Subject to this subsection,**
 24 the money allocated to the taxing units shall be apportioned and
 25 distributed among the funds of the taxing units in the same manner and
 26 at the same time that property taxes are apportioned and distributed.
 27 **For purposes of determining the distribution for a year under this**
 28 **section for a taxing unit, a state welfare and tuition support**
 29 **allocation shall be deducted from the total amount available for**
 30 **apportionment and distribution to taxing units under this section**
 31 **before any apportionment and distribution is made. The county**
 32 **auditor shall remit the state welfare and tuition support allocation**
 33 **to the treasurer of state for deposit as directed by the budget**
 34 **agency. The amount of the state welfare and tuition support**
 35 **allocation for a county for a particular year is equal to the result**
 36 **determined under STEP THREE of the following formula:**

- 37 **STEP ONE: Determine the result of the following:**
 38 **(A) Separately for 2006, 2007, and 2008 for each taxing**
 39 **district in the county, determine the result of:**
 40 **(i) the tax rate imposed in the taxing district for the**
 41 **county's county medical assistance to wards fund, family**
 42 **and children's fund, children's psychiatric residential**

1 **treatment services fund, and children with special health**
 2 **care needs county fund; divided by**
 3 **(ii) the aggregate tax rate imposed in the taxing district**
 4 **for the same year.**

5 **(B) Determine the sum of the clause (A) amounts.**

6 **(C) Divide the clause (B) amount by three (3).**

7 **(D) Determine the result of:**

8 **(i) the amount of excise taxes allocated to the taxing**
 9 **district that would otherwise be available for**
 10 **distribution to taxing units in the taxing district;**
 11 **multiplied by**

12 **(ii) the clause (C) amount.**

13 **(E) Determine the sum of the clause (D) amounts for all**
 14 **taxing districts in the county.**

15 **STEP TWO: Determine the result of the following:**

16 **(A) Separately for 2006, 2007, and 2008 for each taxing**
 17 **district in the county, determine the result of:**

18 **(i) the tuition support levy tax rate imposed in the taxing**
 19 **district; divided by**

20 **(ii) the aggregate tax rate imposed in the taxing district**
 21 **for the same year.**

22 **(B) Determine the sum of the clause (A) amounts.**

23 **(C) Divide the clause (B) amount by three (3).**

24 **(D) Determine the result of:**

25 **(i) the amount of excise taxes allocated to the taxing**
 26 **district that would otherwise be available for**
 27 **distribution to taxing units in the taxing district;**
 28 **multiplied by**

29 **(ii) the clause (C) amount.**

30 **(E) Determine the sum of the clause (D) amounts for all**
 31 **taxing districts in the county.**

32 **STEP THREE: Determine the sum of the STEP ONE and**
 33 **STEP TWO amounts for the county.**

34 **If the boundaries of a taxing district change after the years for**
 35 **which a ratio is calculated under STEP ONE or STEP TWO, the**
 36 **budget agency shall establish a ratio for the new taxing district that**
 37 **reflects the tax rates imposed in the predecessor taxing districts.**

38 SECTION 330. IC 6-8.1-1-1, AS AMENDED BY P.L.233-2007,
 39 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JANUARY 1, 2009]: Sec. 1. "Listed taxes" or "taxes" includes only the
 41 pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the riverboat
 42 admissions tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13);

1 the slot machine wagering tax (IC 4-35-8); the gross income tax
 2 (IC 6-2.1) (repealed); the utility receipts and utility services use taxes
 3 (IC 6-2.3); the state gross retail and use taxes (IC 6-2.5); the adjusted
 4 gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8)
 5 (repealed); the county adjusted gross income tax (IC 6-3.5-1.1); the
 6 county option income tax (IC 6-3.5-6); the county economic
 7 development income tax (IC 6-3.5-7); ~~the municipal option income tax~~
 8 ~~(IC 6-3.5-8)~~; the auto rental excise tax (IC 6-6-9); the financial
 9 institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the alternative
 10 fuel permit fee (IC 6-6-2.1); the special fuel tax (IC 6-6-2.5); the motor
 11 carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a
 12 reciprocal agreement under IC 6-8.1-3; the motor vehicle excise tax
 13 (IC 6-6-5); the commercial vehicle excise tax (IC 6-6-5.5); the
 14 hazardous waste disposal tax (IC 6-6-6.6); the cigarette tax (IC 6-7-1);
 15 the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the
 16 wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5);
 17 the malt excise tax (IC 7.1-4-5); the petroleum severance tax
 18 (IC 6-8-1); the various innkeeper's taxes (IC 6-9); the various food and
 19 beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and
 20 IC 6-9-28); the oil inspection fee (IC 16-44-2); the emergency and
 21 hazardous chemical inventory form fee (IC 6-6-10); the penalties
 22 assessed for oversize vehicles (IC 9-20-3 and IC 9-30); the fees and
 23 penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-30); the
 24 underground storage tank fee (IC 13-23); the solid waste management
 25 fee (IC 13-20-22); and any other tax or fee that the department is
 26 required to collect or administer.

27 SECTION 331. IC 6-8.1-7-1, AS AMENDED BY P.L.219-2007,
 28 SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2008]: Sec. 1. (a) This subsection does not apply to the
 30 disclosure of information concerning a conviction on a tax evasion
 31 charge. Unless in accordance with a judicial order or as otherwise
 32 provided in this chapter, the department, its employees, former
 33 employees, counsel, agents, or any other person may not divulge the
 34 amount of tax paid by any taxpayer, terms of a settlement agreement
 35 executed between a taxpayer and the department, investigation records,
 36 investigation reports, or any other information disclosed by the reports
 37 filed under the provisions of the law relating to any of the listed taxes,
 38 including required information derived from a federal return, except to:

- 39 (1) members and employees of the department;
- 40 (2) the governor;
- 41 (3) the attorney general or any other legal representative of the
- 42 state in any action in respect to the amount of tax due under the

1 provisions of the law relating to any of the listed taxes; or
2 (4) any authorized officers of the United States;
3 when it is agreed that the information is to be confidential and to be
4 used solely for official purposes.

5 (b) The information described in subsection (a) may be revealed
6 upon the receipt of a certified request of any designated officer of the
7 state tax department of any other state, district, territory, or possession
8 of the United States when:

9 (1) the state, district, territory, or possession permits the exchange
10 of like information with the taxing officials of the state; and

11 (2) it is agreed that the information is to be confidential and to be
12 used solely for tax collection purposes.

13 (c) The information described in subsection (a) relating to a person
14 on public welfare or a person who has made application for public
15 welfare may be revealed to the director of the division of family
16 resources, and to any director of a **county local** office of **family and**
17 **children the division of family resources** located in Indiana, upon
18 receipt of a written request from either director for the information. The
19 information shall be treated as confidential by the directors. In addition,
20 the information described in subsection (a) relating to a person who has
21 been designated as an absent parent by the state Title IV-D agency
22 shall be made available to the state Title IV-D agency upon request.
23 The information shall be subject to the information safeguarding
24 provisions of the state and federal Title IV-D programs.

25 (d) The name, address, Social Security number, and place of
26 employment relating to any individual who is delinquent in paying
27 educational loans owed to a postsecondary educational institution may
28 be revealed to that institution if it provides proof to the department that
29 the individual is delinquent in paying for educational loans. This
30 information shall be provided free of charge to approved postsecondary
31 educational institutions (as defined by IC 21-7-13-6(a)). The
32 department shall establish fees that all other institutions must pay to the
33 department to obtain information under this subsection. However, these
34 fees may not exceed the department's administrative costs in providing
35 the information to the institution.

36 (e) The information described in subsection (a) relating to reports
37 submitted under IC 6-6-1.1-502 concerning the number of gallons of
38 gasoline sold by a distributor and IC 6-6-2.5 concerning the number of
39 gallons of special fuel sold by a supplier and the number of gallons of
40 special fuel exported by a licensed exporter or imported by a licensed
41 transporter may be released by the commissioner upon receipt of a
42 written request for the information.

1 (f) The information described in subsection (a) may be revealed
2 upon the receipt of a written request from the administrative head of a
3 state agency of Indiana when:

4 (1) the state agency shows an official need for the information;
5 and

6 (2) the administrative head of the state agency agrees that any
7 information released will be kept confidential and will be used
8 solely for official purposes.

9 (g) The name and address of retail merchants, including township,
10 as specified in IC 6-2.5-8-1(j) may be released solely for tax collection
11 purposes to township assessors (**if any**) and county assessors.

12 (h) The department shall notify the appropriate innkeepers' tax
13 board, bureau, or commission that a taxpayer is delinquent in remitting
14 innkeepers' taxes under IC 6-9.

15 (i) All information relating to the delinquency or evasion of the
16 motor vehicle excise tax may be disclosed to the bureau of motor
17 vehicles in Indiana and may be disclosed to another state, if the
18 information is disclosed for the purpose of the enforcement and
19 collection of the taxes imposed by IC 6-6-5.

20 (j) All information relating to the delinquency or evasion of
21 commercial vehicle excise taxes payable to the bureau of motor
22 vehicles in Indiana may be disclosed to the bureau and may be
23 disclosed to another state, if the information is disclosed for the
24 purpose of the enforcement and collection of the taxes imposed by
25 IC 6-6-5.5.

26 (k) All information relating to the delinquency or evasion of
27 commercial vehicle excise taxes payable under the International
28 Registration Plan may be disclosed to another state, if the information
29 is disclosed for the purpose of the enforcement and collection of the
30 taxes imposed by IC 6-6-5.5.

31 (l) This section does not apply to:

32 (1) the beer excise tax (IC 7.1-4-2);

33 (2) the liquor excise tax (IC 7.1-4-3);

34 (3) the wine excise tax (IC 7.1-4-4);

35 (4) the hard cider excise tax (IC 7.1-4-4.5);

36 (5) the malt excise tax (IC 7.1-4-5);

37 (6) the motor vehicle excise tax (IC 6-6-5);

38 (7) the commercial vehicle excise tax (IC 6-6-5.5); and

39 (8) the fees under IC 13-23.

40 (m) The name and business address of retail merchants within each
41 county that sell tobacco products may be released to the division of
42 mental health and addiction and the alcohol and tobacco commission

1 solely for the purpose of the list prepared under IC 6-2.5-6-14.2.

2 SECTION 332. IC 7.1-5-10-13 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. A permittee
4 who holds a permit to sell at retail shall not cash a check issued by the
5 ~~county local~~ office of ~~family and children~~ **the division of family**
6 **resources** or by a charitable organization if any part of the proceeds of
7 the check are to be used to purchase an alcoholic beverage.

8 SECTION 333. IC 8-6-3-1 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. (a) Whenever
10 the separation of grades at the intersection of a railroad or railroads (as
11 defined in IC 8-3-1-2) and a public street or highway is constructed, the
12 railroad or railroads shall pay five (5) percent of the cost of the grade
13 separation as provided in this chapter.

14 (b) This chapter shall apply to an existing crossing, a new crossing,
15 or the reconstruction of an existing grade separation.

16 (c) If more than one (1) railroad (as defined in IC 8-3-1-2) is
17 involved in a separation, the railroads involved shall divide the amount
18 to be paid by the railroads by agreement between the railroads. If the
19 railroads fail to agree, the circuit court of the county in which the
20 crossing is located shall have jurisdiction, upon the application of a
21 party, to determine the division of the amount to be paid by the
22 railroads. The decision of the court is final, unless one (1) or more
23 parties deeming themselves aggrieved by the decision of the court shall
24 appeal therefrom to the court of appeals of Indiana within thirty (30)
25 days, or within additional time not exceeding ninety (90) days, as may
26 be granted by the circuit court. The appeal shall be taken in
27 substantially the same manner as an appeal in a civil case from the
28 circuit court.

29 (d) If a grade separation shall involve a state highway that is a part
30 of the state highway system of Indiana, or a street or highway selected
31 by the Indiana department of transportation as a route of a highway in
32 the state highway system, the state, out of the funds of the Indiana
33 department of transportation or funds appropriated for the use of the
34 Indiana department of transportation, shall pay ninety-five percent
35 (95%) of the cost of the grade separation.

36 (e) Before the Indiana department of transportation shall proceed
37 with a grade separation within a city or town, the Indiana department
38 of transportation shall first obtain the consent of the city, by a
39 resolution adopted by the board or officials of the city having
40 jurisdiction over improvement of the streets of the city, and any
41 material modification of the plans upon which the consent was granted
42 shall first be approved by the city by a similar resolution.

1 (f) If such grade separation is on a highway or street not a part of the
2 highways under the jurisdiction of the Indiana department of
3 transportation, or a part of a route selected by it, but is within any city
4 or town of the state, the city or town shall pay one-half (1/2) of
5 ninety-five percent (95%) of the total of such cost and the county in
6 which the crossing is located shall be liable for and pay one-half (1/2)
7 of the ninety-five percent (95%).

8 (g) If a grade separation that involves a state highway that is a part
9 of the state highway system of Indiana, or a street or highway selected
10 by the Indiana department of transportation as a route of a highway in
11 the state highway system, necessitates the grade separation on other
12 highways or streets, not a part of the highways under the jurisdiction of
13 the Indiana department of transportation but within any city of the state
14 of Indiana, then of the total cost of the grade separation on a highway
15 or street not under the jurisdiction of the Indiana department of
16 transportation but necessitated by the grade separation involving a
17 highway or street which is a part of the state highway system, the city
18 shall pay one-fourth (1/4) of ninety-five percent (95%) and the county
19 in which the crossing is located shall be liable for and pay one-fourth
20 (1/4) of the ninety-five percent (95%) of the total of the costs and the
21 state out of the funds of the Indiana department of transportation or
22 funds appropriated for the use of the Indiana department of
23 transportation, shall be liable for and pay one-half (1/2) of the
24 remaining portion.

25 (h) If a crossing is not within any city or town and does not involve
26 a highway under the jurisdiction of the Indiana department of
27 transportation, then the county in which the crossing is located shall
28 pay the ninety-five percent (95%) of the total cost which is not paid by
29 the railroad or railroads.

30 (i) The division of the cost of grade separation applies when the
31 grade separation replaces and eliminates an existing grade crossing at
32 which active warning devices are in place or ordered to be installed by
33 a state regulatory agency, but when the grade separation does not
34 replace nor eliminate an existing grade crossing the state, county or
35 municipality, as the case may be, shall bear and pay one hundred
36 percent (100%) of the cost of the grade separation.

37 (j) In estimating and computing the cost of the grade separation,
38 there shall be considered as a part of costs all expenses reasonably
39 necessary for preliminary engineering, rights-of-way and all work
40 required to comply with the plans and specifications for the work,
41 including all changes in the highway and the grade thereof and the
42 approaches to the grade separation, as well as all changes in the

1 roadbed, grade, rails, ties, bridges, buildings, and other structural
2 changes in a railroad as may be necessary to effect the grade separation
3 and to restore the railroad facilities aforesaid to substantially the same
4 condition as before the separation.

5 (k) The required railroad share of the cost shall be based on the
6 costs for preliminary engineering, right-of-way, and construction within
7 the limits described below:

8 (1) Where a grade crossing is eliminated by grade separation, the
9 structure and approaches for the number of lanes on the existing
10 highway and in accordance with the current design standards of
11 the governmental entity having jurisdiction over the highway
12 involved.

13 (2) Where another facility, such as a highway or waterway,
14 requiring a bridge structure is located within the limits of a grade
15 separation project, the estimated cost of a theoretical structure and
16 approaches as described under subdivision (1) to eliminate the
17 railroad-highway grade crossing without considering the presence
18 of the waterway or other highway.

19 (3) Where a grade crossing is eliminated by railroad or highway
20 relocation, the actual cost of the relocation project, or the
21 estimated cost of a structure and approaches as described under
22 subdivision (1), whichever is less.

23 (l) If the Indiana department of transportation or any city, town, or
24 county is unable to reach an agreement with a railroad company after
25 determining that construction or reconstruction of a grade separation,
26 which replaces or eliminates the need for a grade crossing, is necessary
27 to protect travelers on the roads and streets of the state, the appropriate
28 unit or combination of units of government shall give a written notice
29 of its intention to proceed with the construction or reconstruction of a
30 grade separation to the superintendent or regional engineer of the
31 railroad company. The notice of intention shall be made by the
32 adoption of a resolution stating the need for the grade separation. If,
33 after thirty (30) days, the railroad has not agreed to a division of
34 inspections, plans and specifications, the number and type of jobs to be
35 completed by each agency, a division of costs, and other necessary
36 conditions, the Indiana department of transportation, city, town, or
37 county may proceed with the grade separation exercising any and all of
38 its powers to construct or reconstruct a bridge and, notwithstanding
39 other provisions of this chapter, may pay for up to one hundred percent
40 (100%) of the cost of the project. If the railroad is unable, for good
41 cause, to pay the share of the cost required by this section, the city,
42 town, or county may certify the amount owed by the railroad to the

1 county auditor who shall prepare a special tax duplicate to be collected
 2 and settled for by the county treasurer in the same manner and at the
 3 same time as property taxes are collected. ~~except that such tax~~
 4 ~~assessment shall not authorize a payment or credit from the property~~
 5 ~~tax replacement fund created by IC 6-1.1-21.~~ However, before the
 6 Indiana department of transportation, city, town, or county undertakes
 7 to do the work themselves they shall notify an agent of the railroad as
 8 to the time and place of the work.

9 SECTION 334. IC 8-14-9-12, AS AMENDED BY P.L.219-2007,
 10 SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2008]: Sec. 12. All bonds and interest on bonds issued under
 12 this chapter are exempt from taxation as provided under IC 6-8-5-1. All
 13 general laws relating to:

- 14 (1) the filing of a petition requesting the issuance of bonds;
- 15 (2) the right of:
 - 16 (A) taxpayers and voters to remonstrate against the issuance of
 - 17 bonds **in the case of a proposed bond issue described by**
 - 18 **IC 6-1.1-20-3.1(a); or**
 - 19 (B) voters to vote on the issuance of bonds in the case of a
 - 20 **proposed bond issue described by IC 6-1.1-20-3.5(a);**
- 21 (3) the appropriation of the proceeds of the bonds and the
- 22 approval of the appropriation by the department of local
- 23 government finance; and
- 24 (4) the sale of bonds at public sale for not less than par value;

25 are applicable to proceedings under this chapter.

26 SECTION 335. IC 8-18-21-13, AS AMENDED BY P.L.224-2007,
 27 SECTION 96, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 UPON PASSAGE]: Sec. 13. The annual operating budget of a toll road
 29 authority is subject to:

- 30 (1) review by the county board of tax adjustment; ~~(before January~~
 31 ~~1, 2009) or the county board of tax and capital projects review~~
 32 ~~(after December 31, 2008)~~
- 33 (2) **review by the fiscal body of the county that established the**
 34 **toll road authority; and then**
- 35 (3) **review** by the department of local government finance;

36 as in the case of other political subdivisions.

37 SECTION 336. IC 8-22-3-16, AS AMENDED BY P.L.219-2007,
 38 SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2008]: Sec. 16. (a) The board may issue general obligation
 40 bonds of the authority for the purpose of procuring funds to pay the
 41 cost of acquiring real property, or constructing, enlarging, improving,
 42 remodeling, repairing, or equipping buildings, structures, runways, or

1 other facilities, for use as or in connection with or for administrative
2 purposes of the airport. The issuance of the bonds must be authorized
3 by ordinance of the board providing for the amount, terms, and tenor
4 of the bonds and for the time and character of notice and the mode of
5 making sale. If one (1) airport is owned by the authority, an ordinance
6 authorizing the issuance of bonds for a separate second airport is
7 subject to approval as provided in this section. The bonds bear interest
8 and are payable at the times and places that the board determines but
9 running not more than twenty-five (25) years after the date of their
10 issuance, and they must be executed in the name of the authority by the
11 president of the board and attested by the secretary who shall affix to
12 each of the bonds the official seal of the authority. The interest coupons
13 attached to the bonds may be executed by placing on them the
14 facsimile signature of the president of the board.

15 (b) The issuance of general obligation bonds must be approved by
16 resolution of the following body:

17 (1) When the authority is established by an eligible entity, by its
18 fiscal body.

19 (2) When the authority is established by two (2) or more eligible
20 entities acting jointly, by the fiscal body of each of those entities.

21 (3) When the authority was established under IC 19-6-2 (**before**
22 **its repeal**), by the mayor of the consolidated city, and if a second
23 airport is to be funded, also by the city-county council.

24 (4) When the authority was established under IC 19-6-3 (**before**
25 **its repeal**), by the county council.

26 (c) The airport director shall manage and supervise the preparation,
27 advertisement, and sale of the bonds, subject to the authorizing
28 ordinance. Before the sale of the bonds, the airport director shall cause
29 notice of the sale to be published once each week for two (2)
30 consecutive weeks in two (2) newspapers of general circulation
31 published in the district, setting out the time and place where bids will
32 be received, the amount and maturity dates of the issue, the maximum
33 interest rate, and the terms and conditions of sale and delivery of the
34 bonds. The bonds shall be sold to the highest bidder, in accordance
35 with the procedures for selling public bonds. After the bonds have been
36 properly sold and executed, the airport director shall deliver them to the
37 treasurer of the authority and take a receipt for them, and shall certify
38 to the treasurer the amount which the purchaser is to pay for them,
39 together with the name and address of the purchaser. On payment of
40 the purchase price, the treasurer shall deliver the bonds to the
41 purchaser, and the treasurer and airport director or superintendent shall
42 report their actions to the board.

- 1 (d) The provisions of IC 6-1.1-20 and IC 5-1 relating to:
 2 (1) the filing of a petition requesting the issuance of bonds and
 3 giving notice of them;
 4 (2) the giving of notice of determination to issue bonds;
 5 (3) the giving of notice of hearing on the appropriation of the
 6 proceeds of bonds and the right of taxpayers to appeal and be
 7 heard on the proposed appropriation;
 8 (4) the approval of the appropriation by the department of local
 9 government finance;
 10 (5) the right of:
 11 (A) taxpayers and voters to remonstrate against the issuance of
 12 bonds **in the case of a proposed bond issue described by**
 13 **IC 6-1.1-20-3.1(a); or**
 14 **(B) voters to vote on the issuance of bonds in the case of a**
 15 **proposed bond issue described by IC 6-1.1-20-3.5(a);**
 16 and
 17 (6) the sale of bonds at public sale for not less than par value;
 18 are applicable to proceedings under this chapter for the issuance of
 19 general obligation bonds.

20 (e) Bonds issued under this chapter are not a corporate obligation or
 21 indebtedness of any eligible entity but are an indebtedness of the
 22 authority as a municipal corporation. An action to question the validity
 23 of the bonds issued or to prevent their issue must be instituted not later
 24 than the date set for sale of the bonds, and all of the bonds after that
 25 date are incontestable.

26 SECTION 337. IC 8-22-3.5-9, AS AMENDED BY P.L.97-2007,
 27 SECTION 2, IS AMENDED TO READ AS FOLLOWS: Sec. 9. (a) As
 28 used in this section, "base assessed value" means:

- 29 (1) the net assessed value of all the tangible property as finally
 30 determined for the assessment date immediately preceding the
 31 effective date of the allocation provision of the commission's
 32 resolution adopted under section 5 or 9.5 of this chapter,
 33 notwithstanding the date of the final action taken under section 6
 34 of this chapter; plus
 35 (2) to the extent it is not included in subdivision (1), the net
 36 assessed value of property that is assessed as residential property
 37 under the rules of the department of local government finance, as
 38 finally determined for any assessment date after the effective date
 39 of the allocation provision.

40 However, subdivision (2) applies only to an airport development zone
 41 established after June 30, 1997, and the portion of an airport
 42 development zone established before June 30, 1997, that is added to an

1 existing airport development zone.

2 (b) A resolution adopted under section 5 of this chapter and
3 confirmed under section 6 of this chapter must include a provision with
4 respect to the allocation and distribution of property taxes for the
5 purposes and in the manner provided in this section.

6 (c) The allocation provision must:

7 (1) apply to the entire airport development zone; and

8 (2) require that any property tax on taxable tangible property
9 subsequently levied by or for the benefit of any public body
10 entitled to a distribution of property taxes in the airport
11 development zone be allocated and distributed as provided in
12 subsections (d) and (e).

13 (d) Except as otherwise provided in this section, the proceeds of the
14 taxes attributable to the lesser of:

15 (1) the assessed value of the tangible property for the assessment
16 date with respect to which the allocation and distribution is made;

17 or

18 (2) the base assessed value;

19 shall be allocated and, when collected, paid into the funds of the
20 respective taxing units.

21 (e) All of the property tax proceeds in excess of those described in
22 subsection (d) shall be allocated to the eligible entity for the airport
23 development zone and, when collected, paid into special funds as
24 follows:

25 (1) The commission may determine that a portion of tax proceeds
26 shall be allocated to a training grant fund to be expended by the
27 commission without appropriation solely for the purpose of
28 reimbursing training expenses incurred by public or private
29 entities in the training of employees for the qualified airport
30 development project.

31 (2) The commission may determine that a portion of tax proceeds
32 shall be allocated to a debt service fund and dedicated to the
33 payment of principal and interest on revenue bonds or a loan
34 contract of the airport authority for a qualified airport
35 development project, to the payment of leases for a qualified
36 airport development project, or to the payment of principal and
37 interest on bonds issued by an eligible entity to pay for qualified
38 airport development projects in the airport development zone or
39 serving the airport development zone.

40 (3) The commission may determine that a part of the tax proceeds
41 shall be allocated to a project fund and used to pay expenses
42 incurred by the commission for a qualified airport development

1 project that is in the airport development zone or is serving the
2 airport development zone.

3 (4) Except as provided in subsection (f), all remaining tax
4 proceeds after allocations are made under subdivisions (1), (2),
5 and (3) shall be allocated to a project fund and dedicated to the
6 reimbursement of expenditures made by the commission for a
7 qualified airport development project that is in the airport
8 development zone or is serving the airport development zone.

9 **(f) ~~If the~~ Before July 15 of each year, the commission shall do the**
10 **following:**

11 **(1) Determine the amount, if any, by which** tax proceeds
12 allocated to the project fund in subsection (e)(3) **in the following**
13 **year will** exceed the amount necessary to satisfy amounts
14 required under subsection (e). ~~the excess in the project fund over~~
15 ~~that amount shall be paid to the respective taxing units in the~~
16 ~~manner prescribed by subsection (d).~~

17 **(2) Provide a written notice to the county auditor and the**
18 **officers who are authorized to fix budgets, tax rates, and tax**
19 **levies under IC 6-1.1-17-5 for each of the other taxing units**
20 **that is wholly or partly located within the allocation area. The**
21 **notice must:**

22 **(A) state the amount, if any, of excess tax proceeds that the**
23 **commission has determined may be allocated to the**
24 **respective taxing units in the manner prescribed in**
25 **subsection (d); or**

26 **(B) state that the commission has determined that there**
27 **are no excess tax proceeds that may be allocated to the**
28 **respective taxing units in the manner prescribed in**
29 **subsection (d).**

30 **The county auditor shall allocate to the respective taxing units**
31 **the amount, if any, of excess tax proceeds determined by the**
32 **commission.**

33 (g) When money in the debt service fund and in the project fund is
34 sufficient to pay all outstanding principal and interest (to the earliest
35 date on which the obligations can be redeemed) on revenue bonds
36 issued by the airport authority for the financing of qualified airport
37 development projects, all lease rentals payable on leases of qualified
38 airport development projects, and all costs and expenditures associated
39 with all qualified airport development projects, money in the debt
40 service fund and in the project fund in excess of those amounts shall be
41 paid to the respective taxing units in the manner prescribed by
42 subsection (d).

1 (h) Property tax proceeds allocable to the debt service fund under
 2 subsection (e)(2) must, subject to subsection (g), be irrevocably
 3 pledged by the eligible entity for the purpose set forth in subsection
 4 (e)(2).

5 (i) Notwithstanding any other law, each assessor shall, upon petition
 6 of the commission, reassess the taxable tangible property situated upon
 7 or in, or added to, the airport development zone effective on the next
 8 assessment date after the petition.

9 (j) Notwithstanding any other law, the assessed value of all taxable
 10 tangible property in the airport development zone, for purposes of tax
 11 limitation, property tax replacement, and formulation of the budget, tax
 12 rate, and tax levy for each political subdivision in which the property
 13 is located is the lesser of:

- 14 (1) the assessed value of the tangible property as valued without
- 15 regard to this section; or
- 16 (2) the base assessed value.

17 SECTION 338. IC 8-22-3.5-14, AS AMENDED BY P.L.124-2006,
 18 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 JANUARY 1, 2008 (RETROACTIVE)]: Sec. 14. (a) This section
 20 applies only to an airport development zone that is in a:

- 21 (1) city described in section 1(2) of this chapter; or
- 22 (2) county described in section 1(3), 1(4), or 1(6) of this chapter.

23 (b) Notwithstanding any other law, a business or an employee of a
 24 business that is located in an airport development zone is entitled to the
 25 benefits provided by the following statutes, as if the business were
 26 located in an enterprise zone:

- 27 ~~(1) IC 6-1.1-20.8.~~
- 28 ~~(2) (1) IC 6-3-2-8.~~
- 29 ~~(3) (2) IC 6-3-3-10.~~
- 30 ~~(4) (3) IC 6-3.1-7.~~
- 31 ~~(5) (4) IC 6-3.1-9.~~
- 32 ~~(6) (5) IC 6-3.1-10-6.~~

33 (c) Before June 1 of each year, a business described in subsection
 34 (b) must pay a fee equal to the amount of the fee that is required for
 35 enterprise zone businesses under IC 5-28-15-5(a)(4)(A). However,
 36 notwithstanding IC 5-28-15-5(a)(4)(A), the fee shall be paid into the
 37 debt service fund established under section 9(e)(2) of this chapter. If
 38 the commission determines that a business has failed to pay the fee
 39 required by this subsection, the business is not eligible for any of the
 40 benefits described in subsection (b).

41 (d) A business that receives any of the benefits described in
 42 subsection (b) must use all of those benefits, except for the amount of

1 the fee required by subsection (c), for its property or employees in the
 2 airport development zone and to assist the commission. If the
 3 commission determines that a business has failed to use its benefits in
 4 the manner required by this subsection, the business is not eligible for
 5 any of the benefits described in subsection (b).

6 (e) If the commission determines that a business has failed to pay
 7 the fee required by subsection (c) or has failed to use benefits in the
 8 manner required by subsection (d), the commission shall provide
 9 written notice of the determination to the department of state revenue,
 10 the department of local government finance, and the county auditor.

11 SECTION 339. IC 8-22-3.6-3, AS AMENDED BY P.L.224-2007,
 12 SECTION 97, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 UPON PASSAGE]: Sec. 3. (a) An authority that is located in a:

14 (1) city having a population of more than ninety thousand
 15 (90,000) but less than one hundred five thousand (105,000);

16 (2) county having a population of more than one hundred five
 17 thousand (105,000) but less than one hundred ten thousand
 18 (110,000); or

19 (3) county having a population of more than three hundred
 20 thousand (300,000) but less than four hundred thousand
 21 (400,000);

22 may enter into a lease of an airport project with a lessor for a term not
 23 to exceed fifty (50) years and the lease may provide for payments to be
 24 made by the airport authority from property taxes levied under
 25 IC 8-22-3-17, taxes allocated under IC 8-22-3.5-9, any other revenues
 26 available to the airport authority, or any combination of these sources.

27 (b) A lease may provide that payments by the authority to the lessor
 28 are required only to the extent and only for the period that the lessor is
 29 able to provide the leased facilities in accordance with the lease. The
 30 terms of each lease must be based upon the value of the facilities leased
 31 and may not create a debt of the authority or the eligible entity for
 32 purposes of the Constitution of the State of Indiana.

33 (c) A lease may be entered into by the authority only after a public
 34 hearing by the board at which all interested parties are provided the
 35 opportunity to be heard. After the public hearing, the board may adopt
 36 an ordinance authorizing the execution of the lease if it finds that the
 37 service to be provided throughout the term of the lease will serve the
 38 public purpose of the authority and is in the best interest of the
 39 residents of the authority district.

40 (d) Upon execution of a lease providing for payments by the
 41 authority in whole or in part from the levy of property taxes under
 42 IC 8-22-3-17, the board shall publish notice of the execution of the

1 lease and its approval in accordance with IC 5-3-1. Fifty (50) or more
 2 taxpayers residing in the authority district who will be affected by the
 3 lease and who may be of the opinion that no necessity exists for the
 4 execution of the lease or that the payments provided for in the lease are
 5 not fair and reasonable may file a petition in the office of the county
 6 auditor within thirty (30) days after the publication of the notice of
 7 execution and approval. The petition must set forth the petitioners'
 8 names, addresses, and objections to the lease and the facts showing that
 9 the execution of the lease is unnecessary or unwise or that the
 10 payments provided for in the lease are not fair and reasonable, as the
 11 case may be.

12 (e) Upon the filing of a petition under subsection (d), the county
 13 auditor shall immediately certify a copy of the petition, together with
 14 any other data necessary to present the questions involved, to the
 15 department of local government finance (before January 1, 2009) or the
 16 **fiscal body of the county board of tax and capital projects review in**
 17 **which the authority is located** (after December 31, 2008). Upon
 18 receipt of the certified petition and information, the department of local
 19 government finance (**before January 1, 2009**) or the county **board of**
 20 **tax and capital projects review fiscal body (after December 31, 2008)**
 21 shall fix a time and place for a hearing in the authority district, which
 22 must be not less than five (5) or more than thirty (30) days after the
 23 time is fixed. Notice of the hearing shall be given by the department of
 24 local government finance (**before January 1, 2009**) or the county
 25 **fiscal body (after December 31, 2008)** to the members of the board,
 26 and to the first fifty (50) petitioners on the petition, by a letter signed
 27 by ~~one (1)~~ **member of the state board of tax commissioners the**
 28 **commissioner of the department of local government finance** or the
 29 county **board of tax and capital projects review fiscal body** and
 30 enclosed with fully prepaid postage sent to those persons at their usual
 31 place of residence, at least five (5) days before the date of the hearing.
 32 The decision of the department of local government finance (**before**
 33 **January 1, 2009**) or the county **board of tax and capital projects review**
 34 **fiscal body (after December 31, 2008)** on the appeal, upon the
 35 necessity for the execution of the lease, and as to whether the payments
 36 under it are fair and reasonable, is final.

37 (f) An authority entering into a lease payable from any sources
 38 permitted under this chapter may:

- 39 (1) pledge the revenue to make payments under the lease pursuant
 40 to IC 5-1-14-4; or
 41 (2) establish a special fund to make the payments.
 42 (g) Lease rentals may be limited to money in the special fund so that

1 the obligations of the airport authority to make the lease rental
2 payments are not considered debt of the unit or the district for purposes
3 of the Constitution of the State of Indiana.

4 (h) Except as provided in this section, no approvals of any
5 governmental body or agency are required before the authority enters
6 into a lease under this section.

7 (i) An action to contest the validity of the lease or to enjoin the
8 performance of any of its terms and conditions must be brought within
9 thirty (30) days after the later of:

10 (1) the public hearing described in subsection (c); or

11 (2) the publication of the notice of the execution and approval of
12 the lease described in subsection (d), if the lease is payable in
13 whole or in part from tax levies.

14 However, if the lease is payable in whole or in part from tax levies and
15 an appeal has been taken to the department of local government finance
16 **(before January 1, 2009)** or the county ~~board of tax and capital~~
17 ~~projects review; fiscal body (after December 31, 2008)~~, an action to
18 contest the validity or enjoin the performance must be brought within
19 thirty (30) days after the decision of the department of local
20 government finance or the county ~~board of tax and capital projects~~
21 ~~review; fiscal body.~~

22 (j) If an authority exercises an option to buy an airport project from
23 a lessor, the authority may subsequently sell the airport project, without
24 regard to any other statute, to the lessor at the end of the lease term at
25 a price set forth in the lease or at fair market value established at the
26 time of the sale by the authority through auction, appraisal, or arms
27 length negotiation. If the airport project is sold at auction, after
28 appraisal, or through negotiation, the board shall conduct a hearing
29 after public notice in accordance with IC 5-3-1 before the sale. Any
30 action to contest the sale must be brought within fifteen (15) days of
31 the hearing.

32 SECTION 340. IC 10-13-3-27, AS AMENDED BY P.L.216-2007,
33 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 UPON PASSAGE]: Sec. 27. (a) Except as provided in subsection (b),
35 on request, a law enforcement agency shall release a limited criminal
36 history to or allow inspection of a limited criminal history by
37 noncriminal justice organizations or individuals only if the subject of
38 the request:

39 (1) has applied for employment with a noncriminal justice
40 organization or individual;

41 (2) has applied for a license and has provided criminal history
42 data as required by law to be provided in connection with the

- 1 license;
- 2 (3) is a candidate for public office or a public official;
- 3 (4) is in the process of being apprehended by a law enforcement
- 4 agency;
- 5 (5) is placed under arrest for the alleged commission of a crime;
- 6 (6) has charged that the subject's rights have been abused
- 7 repeatedly by criminal justice agencies;
- 8 (7) is the subject of a judicial decision or determination with
- 9 respect to the setting of bond, plea bargaining, sentencing, or
- 10 probation;
- 11 (8) has volunteered services that involve contact with, care of, or
- 12 supervision over a child who is being placed, matched, or
- 13 monitored by a social services agency or a nonprofit corporation;
- 14 (9) is currently residing in a location designated by the
- 15 department of child services (established by IC 31-25-1-1) or by
- 16 a juvenile court as the out-of-home placement for a child at the
- 17 time the child will reside in the location;
- 18 (10) has volunteered services at a public school (as defined in
- 19 IC 20-18-2-15) or nonpublic school (as defined in IC 20-18-2-12)
- 20 that involve contact with, care of, or supervision over a student
- 21 enrolled in the school;
- 22 (11) is being investigated for welfare fraud by an investigator of
- 23 the division of family resources or a ~~county local~~ office of ~~family~~
- 24 ~~and children~~; **the division of family resources**;
- 25 (12) is being sought by the parent locator service of the child
- 26 support bureau of the department of child services;
- 27 (13) is or was required to register as a sex or violent offender
- 28 under IC 11-8-8; or
- 29 (14) has been convicted of any of the following:
- 30 (A) Rape (IC 35-42-4-1), if the victim is less than eighteen
- 31 (18) years of age.
- 32 (B) Criminal deviate conduct (IC 35-42-4-2), if the victim is
- 33 less than eighteen (18) years of age.
- 34 (C) Child molesting (IC 35-42-4-3).
- 35 (D) Child exploitation (IC 35-42-4-4(b)).
- 36 (E) Possession of child pornography (IC 35-42-4-4(c)).
- 37 (F) Vicarious sexual gratification (IC 35-42-4-5).
- 38 (G) Child solicitation (IC 35-42-4-6).
- 39 (H) Child seduction (IC 35-42-4-7).
- 40 (I) Sexual misconduct with a minor as a felony (IC 35-42-4-9).
- 41 (J) Incest (IC 35-46-1-3), if the victim is less than eighteen
- 42 (18) years of age.

1 However, limited criminal history information obtained from the
 2 National Crime Information Center may not be released under this
 3 section except to the extent permitted by the Attorney General of the
 4 United States.

5 (b) A law enforcement agency shall allow inspection of a limited
 6 criminal history by and release a limited criminal history to the
 7 following noncriminal justice organizations:

8 (1) Federally chartered or insured banking institutions.

9 (2) Officials of state and local government for any of the
 10 following purposes:

11 (A) Employment with a state or local governmental entity.

12 (B) Licensing.

13 (3) Segments of the securities industry identified under 15 U.S.C.
 14 78q(f)(2).

15 (c) Any person who knowingly or intentionally uses limited criminal
 16 history for any purpose not specified under this section commits a
 17 Class A misdemeanor.

18 SECTION 341. IC 11-10-7-5 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The earnings
 20 of an offender employed under this chapter shall be surrendered to the
 21 department. This amount shall be distributed in the following order:

22 (1) Not less than twenty percent (20%) of the offender's gross
 23 earnings to be given to the offender or retained by the department.

24 If retained by the department, the amount, with accrued interest
 25 if interest on the amount is earned, must be returned to the
 26 offender not later than at the time of the offender's release on
 27 parole or discharge.

28 (2) State and federal income taxes and Social Security deductions.

29 (3) The expenses of room and board, as fixed by the department
 30 and the budget agency, in facilities operated by the department,
 31 or, if the offender is housed in a facility not operated by the
 32 department, the amount paid by the department to the operator of
 33 the facility or other appropriate authority for room and board and
 34 other incidentals as established by agreement between the
 35 department and the appropriate authority.

36 (4) The support of the offender's dependents, when directed by the
 37 offender or ordered by the court to pay this support. If the
 38 offender's dependents are receiving welfare assistance, the
 39 appropriate ~~county~~ **local** office of ~~family and children~~ **the**
 40 **division of family resources** or welfare department in another
 41 state shall be notified of these disbursements.

42 (5) Ten percent (10%) of the offender's gross earnings, to be

1 deposited in the violent crime victims compensation fund
2 established by IC 5-2-6.1-40.

3 (b) Any remaining amount shall be given to the offender or retained
4 by the department in accord with subsection (a)(1).

5 (c) The department may, when special circumstances warrant or for
6 just cause, waive the collection of room and board charges by or on
7 behalf of a facility operated by the department or, if the offender is
8 housed in a facility not operated by the department, authorize payment
9 of room and board charges from other available funds.

10 SECTION 342. IC 11-10-8-6 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The earnings
12 of an offender employed in a work release program under this chapter,
13 less payroll deductions required by law and court ordered deductions
14 for satisfaction of a judgment against the offender, shall be surrendered
15 to the department or its designated representative. The remaining
16 earnings shall be distributed in the following order:

17 (1) State and federal income taxes and Social Security deductions
18 not otherwise withheld.

19 (2) The cost of membership in an employee organization.

20 (3) Ten percent (10%) of the offender's gross earnings, to be
21 deposited in the violent crime victims compensation fund
22 established by IC 5-2-6.1-40.

23 (4) Not less than fifteen percent (15%) of the offender's gross
24 earnings, if that amount of the gross is available after the above
25 deductions, to be given to the offender or retained by the
26 department. If retained by the department, the amount, with
27 accrued interest, must be returned to the offender not later than at
28 the time of the offender's release on parole or discharge.

29 (5) The expense of room and board, as fixed by the department
30 and the budget agency, in facilities operated by the department,
31 or, if the offender is housed in a facility not operated by the
32 department, the amount paid by the department to the operator of
33 the facility or other appropriate authority for room and board and
34 other incidentals as established by agreement between the
35 department and the appropriate authority.

36 (6) Transportation cost to and from work, and other work related
37 incidental expenses.

38 (7) Court ordered costs or fines imposed as a result of conviction
39 of an offense under Indiana law, unless the costs or fines are
40 being paid through other means.

41 (b) After the amounts prescribed in subsection (a) are deducted, the
42 department may, out of the remaining amount:

1 (1) when directed by the offender or ordered by the court, pay for
 2 the support of the offender's dependents (if the offender's
 3 dependents are receiving welfare assistance, the appropriate
 4 **county local** office of ~~family and children~~ **the division of family**
 5 **resources** or welfare department in another state shall be notified
 6 of these disbursements); and

7 (2) with the consent of the offender, pay to the offender's victims
 8 or others any unpaid obligations of the offender.

9 (c) Any remaining amount shall be given to the offender or retained
 10 by the department in accord with subsection (a)(4).

11 (d) The department may, when special circumstances warrant or for
 12 just cause, waive the collection of room and board charges by or on
 13 behalf of a facility operated by the department or, if the offender is
 14 housed in a facility not operated by the department, authorize payment
 15 of room and board charges from other available funds.

16 SECTION 343. IC 11-12-2-2, AS AMENDED BY P.L.34-2007,
 17 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 UPON PASSAGE]: Sec. 2. (a) To qualify for financial aid under this
 19 chapter, a county must establish a community corrections advisory
 20 board by resolution of the county executive or, in a county having a
 21 consolidated city, by the city-county council. A community corrections
 22 advisory board consists of:

- 23 (1) the county sheriff or the sheriff's designee;
 24 (2) the prosecuting attorney or the prosecuting attorney's
 25 designee;
 26 (3) the director of the **county local** office of ~~family and children~~
 27 **the division of family resources** or the director's designee;
 28 (4) the executive of the most populous municipality in the county
 29 or the executive's designee;
 30 (5) two (2) judges having criminal jurisdiction, if available,
 31 appointed by the circuit court judge or the judges' designees;
 32 (6) one (1) judge having juvenile jurisdiction, appointed by the
 33 circuit court judge;
 34 (7) one (1) public defender or the public defender's designee, if
 35 available, or one (1) attorney with a substantial criminal defense
 36 practice appointed by the county executive or, in a county having
 37 a consolidated city, by the city-county council;
 38 (8) one (1) victim, or victim advocate if available, appointed by
 39 the county executive or, in a county having a consolidated city, by
 40 the city-county council;
 41 (9) one (1) ex-offender, if available, appointed by the county
 42 executive or, in a county having a consolidated city, by the

- 1 city-county council; and
- 2 (10) the following members appointed by the county executive or,
- 3 in a county having a consolidated city, by the city-county council:
- 4 (A) One (1) member of the county fiscal body or the member's
- 5 designee.
- 6 (B) One (1) probation officer.
- 7 (C) One (1) educational administrator.
- 8 (D) One (1) representative of a private correctional agency, if
- 9 such an agency exists in the county.
- 10 (E) One (1) mental health administrator, or, if there is none
- 11 available in the county, one (1) psychiatrist, psychologist, or
- 12 physician.
- 13 (F) Four (4) lay persons, at least one (1) of whom must be a
- 14 member of a minority race if a racial minority resides in the
- 15 county and a member of that minority is willing to serve.
- 16 (b) Designees of officials designated under subsection (a)(1)
- 17 through (a)(7) and (a)(10)(A) serve at the pleasure of the designating
- 18 official.
- 19 (c) Members of the advisory board appointed by the county
- 20 executive or, in a county having a consolidated city, by the city-county
- 21 council, shall be appointed for a term of four (4) years. The criminal
- 22 defense attorney, the ex-offender, and the victim or victim advocate
- 23 shall be appointed for a term of four (4) years. Other members serve
- 24 only while holding the office or position held at the time of
- 25 appointment. The circuit court judge may fill the position of the judge
- 26 having juvenile court jurisdiction by self appointment if the circuit
- 27 court judge is otherwise qualified. A vacancy occurring before the
- 28 expiration of the term of office shall be filled in the same manner as
- 29 original appointments for the unexpired term. Members may be
- 30 reappointed.
- 31 (d) Two (2) or more counties, by resolution of their county
- 32 executives or, in a county having a consolidated city, by the city-county
- 33 council, may combine to apply for financial aid under this chapter. If
- 34 counties so combine, the counties may establish one (1) community
- 35 corrections advisory board to serve these counties. This board must
- 36 contain the representation prescribed in subsection (a), but the
- 37 members may come from the participating counties as determined by
- 38 agreement of the county executives or, in a county having a
- 39 consolidated city, by the city-county council.
- 40 (e) The members of the community corrections advisory board shall,
- 41 within thirty (30) days after the last initial appointment is made, meet
- 42 and elect one (1) member as chairman and another as vice chairman

1 and appoint a secretary-treasurer who need not be a member. A
 2 majority of the members of a community corrections advisory board
 3 may provide for a number of members that is:

- 4 (1) less than a majority of the members; and
- 5 (2) at least six (6);

6 to constitute a quorum for purposes of transacting business. The
 7 affirmative votes of at least five (5) members, but not less than a
 8 majority of the members present, are required for the board to take
 9 action. A vacancy in the membership does not impair the right of a
 10 quorum to transact business.

11 (f) The county executive and county fiscal body shall provide
 12 necessary assistance and appropriations to the community corrections
 13 advisory board established for that county. Appropriations required
 14 under this subsection are limited to amounts received from the
 15 following sources:

- 16 (1) Department grants.
- 17 (2) User fees.
- 18 (3) Other funds as contained within an approved plan.

19 Additional funds may be appropriated as determined by the county
 20 executive and county fiscal body.

21 SECTION 344. IC 11-12-2-9 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 9. (a) **Except as**
 23 **otherwise provided in this section**, a county receiving financial aid
 24 under this chapter shall be charged a sum for each person committed
 25 to the department of correction and confined in a state correctional
 26 facility equal to seventy-five percent (75%) of the average daily cost of
 27 confining a person in certain state correctional facilities as calculated
 28 by the state board of accounts. The daily cost is determined by dividing
 29 the average daily population of the state prison, the Pendleton
 30 Correctional Facility, and the Putnamville Correctional Facility into the
 31 previous fiscal year's operating expense of those three (3) facilities and
 32 reducing the quotient to an average daily cost. However, no charge may
 33 be made for those persons:

- 34 (1) convicted of:
 - 35 (A) murder or a Class A or Class B felony;
 - 36 (B) involuntary manslaughter, reckless homicide, battery,
 37 criminal confinement, child molesting, robbery, burglary, or
 38 escape as Class C felonies;
 - 39 (C) any other felony resulting in bodily injury to any other
 40 person;
 - 41 (D) any other felony committed by means of a deadly weapon;
 - 42 (E) any felony for which an habitual offender sentence was

- 1 imposed;
- 2 (F) any offense for which the sentence is nonsuspendible
- 3 under IC 35-50-2-2(a); or
- 4 (G) dealing in marijuana as a Class D felony under
- 5 IC 35-48-4-10(b)(1)(B) or a Class C felony under
- 6 IC 35-48-4-10(b)(2);
- 7 (2) transferred to the department of correction after they have
- 8 violated the terms of their community corrections sentence; or
- 9 (3) who were charged with:
- 10 (A) a felony resulting in serious bodily injury; or
- 11 (B) a felony committed by means of a deadly weapon;
- 12 and the sentencing court noted on the commitment order that such
- 13 charges were dismissed pursuant to a plea agreement under
- 14 IC 35-35-3; or
- 15 **(4) who are committed to the department as a delinquent**
- 16 **offender (other than a delinquent offender whose commitment**
- 17 **is prohibited under IC 31-37-19-7).**

18 **However, amounts owed to the state for commitments of**

19 **delinquent offenders for periods before January 1, 2009, must be**

20 **paid by the county.**

21 (b) The amount charged a county under this section may not exceed

22 the amount of financial aid received under this chapter. The amount

23 charged shall be deducted from the subsidy payable to the participating

24 county. All charges are a charge upon the county of original

25 jurisdiction.

26 ~~(c) Notwithstanding subsection (a), if a county receives financial aid~~

27 ~~under this chapter for a program or a facility for persons convicted of~~

28 ~~crimes but has not received financial aid under this chapter for a~~

29 ~~program or a facility for delinquent offenders, the costs of keeping~~

30 ~~delinquent offenders in state programs or facilities operated by the~~

31 ~~department of correction shall be paid under IC 11-10-2-3.~~

32 ~~(d) Notwithstanding subsection (a), if a county receives financial aid~~

33 ~~under this chapter for a program or a facility for delinquent offenders~~

34 ~~but has not received financial aid under this chapter for a program or~~

35 ~~a facility for persons convicted of crimes, the costs of keeping persons~~

36 ~~convicted of crimes in state programs or facilities operated by the~~

37 ~~department of correction shall be paid by the department of correction.~~

38 ~~(e) Notwithstanding subsection (a), (c) No charge may be made for:~~

39 (1) the initial twelve (12) months of the county's participation in

40 the subsidy program;

41 (2) each month during which:

42 (A) the county maintains a residential facility or a portion of

- 1 a residential facility as part of its community corrections plan;
 2 and
 3 (B) the residential facility or the community corrections
 4 portion of the residential facility operates at the rated bed
 5 capacity specified in the county's community corrections plan;
 6 or
 7 (3) each month during which a county that has no residential
 8 facility as part of its community corrections plan operates a
 9 community corrections program at the offender-supervisor ratio
 10 specified by the plan.

11 ~~(f)~~ (d) A county fulfills the rated bed capacity requirement of
 12 subsection ~~(c)(2)~~ (c)(2) if the following conditions are met:

- 13 (1) Each bed used in the calculation of rated bed capacity must be
 14 filled each day of the month unless a vacancy occurs because of
 15 the release, escape, or incarceration of the bed's occupant.
 16 (2) A vacancy that occurs because of the release, escape, or
 17 incarceration of the occupant of a bed used in the calculation of
 18 rated bed capacity must be filled within two (2) days after its
 19 occurrence.

20 ~~(g)~~ (e) A county fulfills the offender-supervisor ratio requirement of
 21 subsection ~~(c)(3)~~ (c)(3) if the following conditions are met:

- 22 (1) Each opening used in the calculation of the
 23 offender-supervisor ratio specified in the community corrections
 24 plan must be filled each day of the month unless a vacancy occurs
 25 because of the release, escape, or incarceration of an offender.
 26 (2) A vacancy that occurs because of the release, escape, or
 27 incarceration of an offender must be filled within two (2) working
 28 days after its occurrence.

29 SECTION 345. IC 11-12-5-3 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Any earnings
 31 of a person employed under this chapter, less payroll deductions
 32 required by law and court ordered deductions for satisfaction of a
 33 judgment against that person, shall be collected by the county sheriff,
 34 probation department, ~~county local~~ office of ~~family and children~~, **the**
 35 **division of family resources**, or other agency designated by the
 36 sentencing or committing court. Unless otherwise ordered by the court,
 37 the remaining earnings shall be distributed in the following order:

- 38 (1) To pay state and federal income taxes and Social Security
 39 deductions not otherwise withheld.
 40 (2) To pay the cost of membership in an employee organization.
 41 (3) Not less than fifteen percent (15%) of the person's gross
 42 earnings, if that amount of the gross is available after the above

1 deductions, to be given to that person or retained for the person,
2 with accrued interest, until the person's release or discharge.

3 (4) To pay for the person's room and board provided by the
4 county.

5 (5) To pay transportation costs to and from work, and other work
6 related incidental expenses.

7 (6) To pay court ordered costs, fines, or restitution.

8 (b) After the amounts prescribed in subsection (a) are deducted, the
9 remaining amount may be used to:

10 (1) when directed by the person or ordered by the court, pay for
11 the support of the person's dependents (if the person's dependents
12 are receiving welfare assistance, the appropriate **local** office of
13 ~~family and children~~ **the division of family resources** or welfare
14 department in another state shall be notified of such
15 disbursements); and

16 (2) with the consent of the person, pay to the person's victims or
17 others any unpaid obligations of that person.

18 (c) Any remaining amount shall be given to the person or retained
19 for the person according to subsection (a)(3).

20 (d) The collection of room and board under subsection (a)(4) may
21 be waived.

22 SECTION 346. IC 11-13-6-5.5, AS AMENDED BY P.L.173-2006,
23 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 UPON PASSAGE]: Sec. 5.5. (a) This section shall not be construed to
25 limit victims' rights granted by IC 35-40 or any other law.

26 (b) As used in this section, "sex offense" refers to a sex offense
27 described in IC 11-8-8-5.

28 (c) As used in this section, "victim" means a person who has
29 suffered direct harm as a result of a delinquent act that would be a sex
30 offense if the delinquent offender were an adult. The term includes a
31 victim's representative appointed under IC 35-40-13.

32 (d) Unless a victim has requested in writing not to be notified, the
33 department shall notify the victim involved in the adjudication of a
34 delinquent offender committed to the department for a sex offense of
35 the delinquent offender's:

36 (1) discharge from the department of correction;

37 (2) release from the department of correction under any temporary
38 release program administered by the department;

39 (3) release on parole;

40 (4) parole release hearing under this chapter;

41 (5) parole violation hearing under this chapter; or

42 (6) escape from commitment to the department of correction.

1 (e) The department shall make the notification required under
2 subsection (d):

3 (1) at least forty (40) days before a discharge, release, or hearing
4 occurs; and

5 (2) not later than twenty-four (24) hours after the escape of a
6 delinquent offender from commitment to the department of
7 correction.

8 The department shall supply the information to a victim at the address
9 supplied to the department by the victim. A victim is responsible for
10 supplying the department with any change of address or telephone
11 number of the victim.

12 (f) The probation officer ~~or caseworker~~ preparing the
13 predispositional report under IC 31-37-17 shall inform the victim
14 before the predispositional report is prepared of the right of the victim
15 to receive notification from the department under subsection (d). The
16 probation department ~~or county office of family and children~~ shall
17 forward the most recent list of the addresses or telephone numbers, or
18 both, of victims to the department. The probation department ~~or county~~
19 ~~office of family and children~~ shall supply the department with the
20 information required by this section as soon as possible but not later
21 than five (5) days after the receipt of the information. A victim is
22 responsible for supplying the department with the correct address and
23 telephone number of the victim.

24 (g) Notwithstanding IC 11-8-5-2 and IC 4-1-6, a delinquent offender
25 may not have access to the name and address of a victim. Upon the
26 filing of a motion by a person requesting or objecting to the release of
27 victim information or representative information, or both, that is
28 retained by the department, the court shall review in camera the
29 information that is the subject of the motion before ruling on the
30 motion.

31 (h) The notice required under subsection (d) must specify whether
32 the delinquent offender is being discharged, is being released under a
33 temporary release program administered by the department, is being
34 released on parole, is having a parole release hearing, is having a
35 parole violation hearing, or has escaped. The notice must contain the
36 following information:

37 (1) The name of the delinquent offender.

38 (2) The date of the delinquent act.

39 (3) The date of the adjudication as a delinquent offender.

40 (4) The delinquent act of which the delinquent offender was
41 adjudicated.

42 (5) The disposition imposed.

1 (6) The amount of time for which the delinquent offender was
2 committed to the department.

3 (7) The date and location of the interview (if applicable).

4 SECTION 347. IC 12-7-2-32, AS AMENDED BY P.L.145-2006,
5 SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
6 JANUARY 1, 2009]: Sec. 32. "Child welfare services", for purposes of
7 the following statutes, ~~means the services for children prescribed in~~
8 ~~IC 31-26-3-1:~~ **has the meaning set forth in IC 31-9-2-19.5:**

9 (1) IC 12-13.

10 (2) IC 12-14.

11 (3) IC 12-15.

12 ~~(4) IC 12-19:~~

13 SECTION 348. IC 12-7-2-45 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 45. "County office"
15 refers to a ~~county~~ **local** office of **the division of family and children**
16 **resources.**

17 SECTION 349. IC 12-7-2-46, AS AMENDED BY P.L.145-2006,
18 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 UPON PASSAGE]: Sec. 46. "County director" refers to a director of a
20 ~~county local~~ office ~~or a director of a district office~~ of the division of
21 family resources. ~~or the department of child services.~~

22 SECTION 350. IC 12-7-2-57.5, AS AMENDED BY P.L.234-2005,
23 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 UPON PASSAGE]: Sec. 57.5. ~~(a)~~ "Department", for purposes of
25 IC 12-13-14, has the meaning set forth in IC 12-13-14-1.

26 ~~(b) "Department"; for purposes of IC 12-19; refers to the department~~
27 ~~of child services.~~

28 ~~(c) "Department"; for purposes of IC 12-20; refers to the department~~
29 ~~of local government finance established by IC 6-1.1-30-1.1.~~

30 SECTION 351. IC 12-7-2-64, AS AMENDED BY P.L.1-2007,
31 SECTION 107, IS AMENDED TO READ AS FOLLOWS
32 [EFFECTIVE JANUARY 1, 2009]: Sec. 64. "Director" refers to the
33 following:

34 (1) With respect to a particular division, the director of the
35 division.

36 (2) With respect to a particular state institution, the director who
37 has administrative control of and responsibility for the state
38 institution.

39 (3) For purposes of IC 12-10-15, the term refers to the director of
40 the division of aging.

41 ~~(4) For purposes of IC 12-19-5; the term refers to the director of~~
42 ~~the department of child services established by IC 31-25-1-1.~~

1 ~~(5)~~ **(4)** For purposes of IC 12-25, the term refers to the director of
2 the division of mental health and addiction.

3 ~~(6)~~ **(5)** For purposes of IC 12-26, the term:

4 (A) refers to the director who has administrative control of and
5 responsibility for the appropriate state institution; and

6 (B) includes the director's designee.

7 ~~(7)~~ **(6)** If subdivisions (1) through ~~(6)~~ **(5)** do not apply, the term
8 refers to the director of any of the divisions.

9 SECTION 352. IC 12-7-2-91 IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 91. "Fund" means
11 the following:

12 (1) For purposes of IC 12-12-1-9, the fund described in
13 IC 12-12-1-9.

14 ~~(2)~~ For purposes of ~~IC 12-13-8~~; the meaning set forth in
15 ~~IC 12-13-8-1~~.

16 ~~(3)~~ **(2)** For purposes of IC 12-15-20, the meaning set forth in
17 IC 12-15-20-1.

18 ~~(4)~~ **(3)** For purposes of IC 12-17-12, the meaning set forth in
19 IC 12-17-12-4.

20 ~~(5)~~ **(4)** For purposes of IC 12-17.6, the meaning set forth in
21 IC 12-17.6-1-3.

22 ~~(6)~~ **(5)** For purposes of IC 12-18-4, the meaning set forth in
23 IC 12-18-4-1.

24 ~~(7)~~ **(6)** For purposes of IC 12-18-5, the meaning set forth in
25 IC 12-18-5-1.

26 ~~(8)~~ For purposes of ~~IC 12-19-7~~; the meaning set forth in
27 ~~IC 12-19-7-2~~.

28 ~~(9)~~ **(7)** For purposes of IC 12-23-2, the meaning set forth in
29 IC 12-23-2-1.

30 ~~(10)~~ **(8)** For purposes of IC 12-23-18, the meaning set forth in
31 IC 12-23-18-4.

32 ~~(11)~~ **(9)** For purposes of IC 12-24-6, the meaning set forth in
33 IC 12-24-6-1.

34 ~~(12)~~ **(10)** For purposes of IC 12-24-14, the meaning set forth in
35 IC 12-24-14-1.

36 ~~(13)~~ **(11)** For purposes of IC 12-30-7, the meaning set forth in
37 IC 12-30-7-3.

38 SECTION 353. IC 12-7-2-124.6 IS ADDED TO THE INDIANA
39 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
40 [EFFECTIVE UPON PASSAGE]: **Sec. 124.6. "Local director" refers**
41 **to a director of a local office of the division of family resources.**

42 SECTION 354. IC 12-7-2-124.8 IS ADDED TO THE INDIANA

1 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 2 [EFFECTIVE UPON PASSAGE]: **Sec. 124.8. "Local office" refers**
 3 **to a county or district office of the division of family resources.**

4 SECTION 355. IC 12-8-10-1, AS AMENDED BY P.L.1-2007,
 5 SECTION 112, IS AMENDED TO READ AS FOLLOWS
 6 [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies only to
 7 the indicated money of the following state agencies to the extent that
 8 the money is used by the agency to obtain services from grantee
 9 agencies to carry out the program functions of the agency:

10 (1) Money appropriated or allocated to a state agency from money
 11 received by the state under the federal Social Services Block
 12 Grant Act (42 U.S.C. 1397 et seq.).

13 (2) The division of aging, except this chapter does not apply to
 14 money expended under the following:

15 (A) The following statutes, unless application of this chapter
 16 is required by another subdivision of this section:

17 (i) IC 12-10-6.

18 (ii) IC 12-10-12.

19 (B) Epilepsy services.

20 (3) The division of family resources, for money expended under
 21 the following programs:

22 (A) The child development associate scholarship program.

23 (B) The dependent care program.

24 (C) Migrant day care.

25 ~~(D) The youth services bureau.~~

26 ~~(E) The project safe program.~~

27 ~~(F) (D) The commodities program.~~

28 ~~(G) (E) The migrant nutrition program.~~

29 ~~(H) (F) Any emergency shelter program.~~

30 ~~(I) (G) The energy weatherization program.~~

31 ~~(J) (H) Programs for individuals with developmental~~
 32 ~~disabilities.~~

33 (4) The state department of health, for money expended under the
 34 following statutes:

35 (A) IC 16-19-10.

36 (B) IC 16-38-3.

37 (5) The group.

38 (6) All state agencies, for any other money expended for the
 39 purchase of services if all the following apply:

40 (A) The purchases are made under a contract between the state
 41 agency and the office of the secretary.

42 (B) The contract includes a requirement that the office of the

1 secretary perform the duties and exercise the powers described
2 in this chapter.

3 (C) The contract is approved by the budget agency.

4 (7) The division of mental health and addiction.

5 SECTION 356. IC 12-13-5-5, AS AMENDED BY P.L.234-2005,
6 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JANUARY 1, 2009]: Sec. 5. (a) Each county auditor shall keep records
8 and make reports relating to the county welfare fund (before July 1,
9 2001), the family and children's fund (**before January 1, 2009**), and
10 other financial transactions as required under IC 12-13 through
11 IC 12-19 and as required by the division. ~~or the department of child~~
12 ~~services.~~

13 (b) All records provided for in IC 12-13 through IC 12-19 shall be
14 kept, prepared, and submitted in the form required by the division ~~or~~
15 ~~the department of child services~~ and the state board of accounts.

16 SECTION 357. IC 12-13-7-12, AS AMENDED BY P.L.234-2005,
17 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 UPON PASSAGE]: Sec. 12. (a) The division ~~and the department of~~
19 ~~child services~~ shall do the following:

20 (1) Prepare and submit to the state board of accounts for approval
21 forms and records for assistance, receipts, disbursements,
22 advancements, transfers, and other financial transactions
23 necessary to administer IC 12-13 through IC 12-19.

24 (2) Disclose financial transactions connected with subdivision (1).

25 (b) Upon the approval and adoption by the state board of accounts,
26 the division ~~and the department of child services~~ shall prescribe the
27 forms, records, and method of accounting for all counties.

28 SECTION 358. IC 12-14-25-9, AS AMENDED BY P.L.145-2006,
29 SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JANUARY 1, 2009]: Sec. 9. ~~(a)~~ The codirectors of the election division
31 shall notify the division of family resources ~~and the department of child~~
32 ~~services~~ of the following:

33 (1) The scheduled date of each primary, general, municipal, and
34 special election.

35 (2) The jurisdiction in which the election will be held.

36 SECTION 359. IC 12-15-1.5-8, AS AMENDED BY P.L.145-2006,
37 SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JANUARY 1, 2009]: Sec. 8. (a) The codirectors of the election division
39 shall provide the division of family resources ~~and the department of~~
40 ~~child services~~ with a list of the current addresses and telephone
41 numbers of the offices of the circuit court clerk or board of registration
42 in each county. The division of family resources ~~and the department of~~

1 ~~child services~~ shall promptly forward the list and each revision of the
2 list to each ~~county~~ **local** office.

3 (b) The codirectors shall provide the division of family resources
4 ~~and the department of child services~~ with pre-addressed packets for
5 county offices to transmit applications under section 6(1) or 6(2) of this
6 chapter.

7 SECTION 360. IC 12-15-2-16, AS AMENDED BY P.L.145-2006,
8 SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 UPON PASSAGE]: Sec. 16. An individual:

10 (1) who is less than eighteen (18) years of age;

11 (2) who is described in 42 U.S.C. 1396a(a)(10)(A)(ii); and

12 (3) who is:

13 (A) a child in need of services (as defined in IC 31-34-1);

14 (B) a child placed in the custody of the department of child
15 services ~~or a county office~~ under IC 31-35-6-1 (or IC 31-6-5-5
16 before its repeal); or

17 (C) a child placed under the supervision or in the custody of
18 the department of child services ~~or a county office~~ by an order
19 of the court;

20 is eligible to receive Medicaid.

21 SECTION 361. IC 12-19-1-1 IS AMENDED TO READ AS
22 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. ~~A county office~~
23 **The division shall establish local offices** of family ~~and children~~ is
24 ~~established resources~~ in each county **or district designated by the**
25 **division.**

26 SECTION 362. IC 12-19-1-2, AS AMENDED BY P.L.138-2007,
27 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 UPON PASSAGE]: Sec. 2. (a) The director of the ~~department of child~~
29 ~~services division~~ shall appoint a ~~county local~~ director ~~in~~ **for** each
30 ~~county.~~ **local office.**

31 (b) ~~The director of the department of child services shall appoint~~
32 ~~each county director:~~

33 (1) ~~solely on the basis of merit; and~~

34 (2) ~~from eligible lists established by the state personnel~~
35 ~~department.~~

36 (c) ~~Each county~~ (b) **A local** director must be a citizen of the United
37 States.

38 SECTION 363. IC 12-19-1-3 IS AMENDED TO READ AS
39 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The ~~county local~~
40 director is the executive and administrative officer of the ~~county local~~
41 office.

42 SECTION 364. IC 12-19-1-4 IS AMENDED TO READ AS

1 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A ~~county~~
 2 **local** director is entitled to receive as compensation for the ~~county local~~
 3 director's services an amount determined by the division that is within:

- 4 (1) the lawfully established appropriations; and
 5 (2) the salary ranges of the pay plan adopted by the state
 6 personnel department and approved by the budget committee.

7 (b) Compensation paid to a ~~county local~~ director shall be paid in the
 8 same manner that compensation is paid to other state employees.

9 SECTION 365. IC 12-19-1-5 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) In addition
 11 to the compensation paid under this article, a ~~county local~~ director may
 12 receive for each mile necessarily traveled in the discharge of the ~~county~~
 13 **local** director's duties the same amount per mile that other state
 14 employees receive.

15 (b) A ~~county local~~ director is also entitled to a per diem for lodging
 16 and meal expenses if the ~~county local~~ director's official duties require
 17 the ~~county local~~ director to travel outside of the county **where the local**
 18 director's ~~county~~ **permanent office is located**. The per diem for a
 19 ~~county local~~ director's lodging and meals shall be paid at the rate set by
 20 law for other state employees.

21 ~~(c) An amount to be paid under this section for traveling expenses~~
 22 ~~or for a per diem for lodging and meals shall be paid only if the amount~~
 23 ~~has been made available by appropriation.~~

24 SECTION 366. IC 12-19-1-7, AS AMENDED BY P.L.145-2006,
 25 SECTION 107, IS AMENDED TO READ AS FOLLOWS
 26 [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The ~~county local~~ director
 27 shall appoint from eligible lists established by the state personnel
 28 department the number of assistants necessary to

29 ~~(1) administer the welfare activities within the county or district~~
 30 ~~that are administered by the division under IC 12-13 through~~
 31 ~~IC 12-19 or by an administrative rule, with the approval of the~~
 32 ~~director of the division. or~~

33 ~~(2) administer the child services (as defined in IC 12-19-7-1) and~~
 34 ~~child welfare activities within the county that are the~~
 35 ~~responsibility of the department under IC 12-13 through IC 12-19~~
 36 ~~and IC 31-25 through IC 31-40 or by an administrative rule, with~~
 37 ~~the approval of the director of the department.~~

38 (b) The

39 ~~(1) division, for personnel performing activities described in~~
 40 ~~subsection (a)(1);~~

41 ~~(2) department, for personnel performing activities described in~~
 42 ~~subsection (a)(2); or~~

1 ~~(3) division and the department jointly for personnel performing~~
 2 ~~activities in both subsection (a)(1) and (a)(2);~~
 3 **(a)**, shall determine the compensation of the assistants within the salary
 4 ranges of the pay plan adopted by the state personnel department and
 5 approved by the budget agency, with the advice of the budget
 6 committee, and within lawfully established appropriations.

7 SECTION 367. IC 12-19-1-8, AS AMENDED BY P.L.234-2005,
 8 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 UPON PASSAGE]: Sec. 8. ~~(a) Except as provided in subsection (b);~~
 10 The costs of personal services in the administration of a **county local**
 11 office's duties ~~under this article if the employment is necessary for the~~
 12 administration of the county office's duties imposed upon the county
 13 office by this article and rules prescribed by the division or the
 14 department shall be paid by the following:

15 ~~(1) the division;~~ for activities described in section ~~7(a)(1)~~ **7(a)** of
 16 this chapter

17 ~~(2) The department;~~ for activities described in section ~~7(a)(2)~~
 18 this chapter.

19 **(b) The division and the department shall negotiate and agree to the**
 20 payment of personnel services within the administration of a county
 21 office for activities that qualify under both section ~~7(a)(1)~~ and ~~7(a)(2)~~
 22 of this chapter. **shall be paid by the division.**

23 SECTION 368. IC 12-19-1-9 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The division
 25 shall provide the necessary facilities to house the **county local** office.

26 (b) The division shall pay for the costs of the facilities, supplies, and
 27 equipment needed by each **county local** office. ~~including the transfer~~
 28 to the county that is required by ~~IC 12-13-5~~.

29 SECTION 369. IC 12-19-1-10, AS AMENDED BY P.L.234-2005,
 30 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 UPON PASSAGE]: Sec. 10. ~~(a)~~ Subject to the rules adopted by the
 32 director of the division, a **county local** office shall administer the
 33 following:

34 (1) Assistance to dependent children in the homes of the
 35 dependent children.

36 (2) Assistance and services to elderly persons.

37 (3) Assistance to persons with disabilities.

38 (4) Care and treatment of the following persons, **other than**
 39 **persons for whom the department of child services is**
 40 **providing services under IC 31:**

41 (A) Dependent children.

42 (B) Children with disabilities.

1 ~~(5) Provision of family preservation services:~~

2 ~~(6) (5) Any other welfare activities that are delegated to the~~
3 ~~county local office by the division, under this chapter, including~~
4 ~~services concerning assistance to the blind.~~

5 SECTION 370. IC 12-19-1-13 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) A ~~county~~
7 **local** office may sue and be sued under the name of "The ~~County~~ Office
8 of Family ~~and Children Resources~~ of _____" **(Insert:**
9 **"County" or "District", as appropriate).**

10 (b) The ~~county local~~ office has all other rights and powers and shall
11 perform all other duties necessary to administer this chapter.

12 (c) A suit brought against a ~~county local~~ office may be filed in the
13 following:

14 ~~(1) The any circuit or superior court with jurisdiction in the~~
15 ~~county; area served by the local office.~~

16 ~~(2) A superior court or any other court of the county.~~

17 (d) A notice or summons in a suit brought against the ~~county local~~
18 office must be served on the ~~county local~~ director. It is not required to
19 name the individual employees of the ~~county local~~ office as either
20 plaintiff or defendant.

21 SECTION 371. IC 12-19-1-15 IS AMENDED TO READ AS
22 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 15. (a) ~~A county~~
23 **office The division** may receive and administer a gift, devise, or
24 bequest of personal property, including the income from real property,
25 that is

26 ~~(1) to or for the benefit of a home or an institution in which~~
27 ~~dependent or neglected children are cared for under the~~
28 ~~supervision of the county office; or~~

29 ~~(2) for the benefit of children who are committed to the care or~~
30 ~~supervision of the county an individual receiving payments or~~
31 ~~services through a local office.~~

32 ~~(b) A county office may invest or reinvest money received under~~
33 ~~this section in the same types of securities in which life insurance~~
34 ~~companies are authorized by law to invest the money of the life~~
35 ~~insurance companies.~~

36 ~~(c) (b) The following division shall be kept in establish a special~~
37 ~~fund and or an account in a trust fund for the money received~~
38 ~~under this section. The expenses of administering the fund or~~
39 ~~account shall be paid from money in the fund or account. The~~
40 ~~money may not be commingled with any other fund or with money~~
41 ~~received from taxation.~~

42 ~~(1) All money received by the county office under this section.~~

1 ~~(2)~~ All money, proceeds, or income realized from real property or
2 other investments.

3 **(c) The treasurer of state shall invest the money in the fund or**
4 **account not currently needed to meet the obligations of the fund or**
5 **account in the same manner as other public money may be**
6 **invested. Interest that accrues from these investments shall be**
7 **deposited in the fund or account.**

8 **(d) Money in the fund or account at the end of a state fiscal year**
9 **does not revert to the state general fund.**

10 ~~(d)~~ **(e) Subject to the approval of the judge or the court of the county**
11 **having probate jurisdiction, money described in subsection (c)(1) or**
12 ~~(c)~~ **(2) in the fund or account may be expended by the county office**
13 **division in any manner consistent with the purposes of the fund's**
14 **creation fund or account created under this section and with the**
15 **intention of the donor.**

16 SECTION 372. IC 12-19-1-16 IS AMENDED TO READ AS
17 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 16. (a) This
18 section does not apply to money received to reimburse the county
19 family and children's fund for expenditures made from the
20 appropriations of the county office: **appropriated by the general**
21 **assembly, including any federal grant.**

22 **(b) A county office may receive and administer money available to**
23 **or for the benefit of a person receiving payments or services from the**
24 **county office. The following applies to all money received under this**
25 **section: (1) The money shall be kept in a special fund known as The**
26 **county family and children resources trust clearance fund and is**
27 **established to administer money available to or for the benefit of**
28 **an individual receiving payments or services through a local office.**
29 **The fund shall be administered by the division. Separate accounts**
30 **in the fund shall be established, as appropriate, to carry out the**
31 **purposes of the donors of the money deposited in the fund.**

32 **(c) The expenses of administering the fund shall be paid from**
33 **money in the fund.**

34 **(d) Money in the fund may not be commingled with any other fund**
35 **or with money received from taxation. ~~(2)~~ The money may be expended**
36 **by the county local office in any manner consistent with the following:**

37 ~~(A)~~ **(1) The purpose of the county family and children trust**
38 **clearance fund or with the intention of the donor of the money.**

39 ~~(B)~~ **(2) Indiana law.**

40 **(e) The treasurer of state shall invest the money in the fund not**
41 **currently needed to meet the obligations of the fund in the same**
42 **manner as other public money may be invested. Interest that**

1 **accrues from these investments shall be deposited in the fund.**

2 **(f) Money in the fund at the end of a state fiscal year does not**
3 **revert to the state general fund.**

4 SECTION 373. IC 12-19-1-18, AS AMENDED BY P.L.145-2006,
5 SECTION 108, IS AMENDED TO READ AS FOLLOWS
6 [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) After petition to and
7 with the approval of the judge of ~~the~~ a circuit court **of the county**
8 **where an applicant for or recipient of public assistance resides (or,**
9 **if a superior court has probate jurisdiction in the county, the**
10 **superior court that has probate jurisdiction where the recipient of**
11 **public assistance resides), a county local** office may take the actions
12 described in subsection (b) if:

- 13 (1) an applicant for public assistance is physically or mentally
14 incapable of completing an application for assistance; or
15 (2) a recipient of public assistance:
16 (A) is incapable of managing the recipient's affairs; or
17 (B) refuses to:
18 (i) take care of the recipient's money properly; or
19 (ii) comply with the director of the division's rules and
20 policies.

21 (b) If the conditions of subsection (a) are satisfied, the **county local**
22 office may designate a responsible person to do the following:

- 23 (1) Act for the applicant or recipient.
24 (2) Receive on behalf of the recipient the assistance the recipient
25 is eligible to receive under any of the following:
26 (A) This chapter.
27 (B) IC 12-10-6.
28 (C) IC 12-14-1 through IC 12-14-9.5.
29 (D) IC 12-14-13 through IC 12-14-19.
30 (E) IC 12-15.
31 (F) IC 16-35-2.

32 (c) A fee for services provided under this section may be paid to the
33 responsible person in an amount not to exceed ten dollars (\$10) each
34 month. The fee may be allowed:

- 35 (1) in the monthly assistance award; or
36 (2) by vendor payment if the fee would cause the amount of
37 assistance to be increased beyond the maximum amount permitted
38 by statute.

39 SECTION 374. IC 12-19-1-19 IS AMENDED TO READ AS
40 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) A
41 responsible person approved under section 18 of this chapter preferably
42 must be a relative or friend of good moral character whose interest is

1 limited to the well-being of the applicant or recipient. However, the
2 responsible person may not be any of the following:

- 3 (1) An employee of the ~~county~~ **local** office.
- 4 (2) The superintendent of a county home.
- 5 (3) A person directly or indirectly financially connected with a
6 health facility or an institution giving care to the recipient.
- 7 (4) A person directly or indirectly connected with the operation of
8 a health facility or an institution giving care to the recipient.

9 (b) Costs may not be charged by a person or public official in
10 proceedings concerning the appointment of a responsible person under
11 section 18 of this chapter.

12 SECTION 375. IC 12-19-1-21 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 21. **(a)**
14 Notwithstanding any other law, after December 31, 1999, a county may
15 not impose any of the following:

- 16 (1) A property tax levy for a county welfare fund.
- 17 (2) A property tax levy for a county welfare administration fund.

18 **(b) Notwithstanding any other law, after December 31, 2008, a**
19 **county may not impose any of the following:**

- 20 **(1) A property tax levy for a county medical assistance to**
21 **wards fund.**
- 22 **(2) A property tax levy for a county family and children's**
23 **services fund.**
- 24 **(3) A property tax levy for a children's psychiatric residential**
25 **treatment services fund.**
- 26 **(4) A property tax levy for a children with special health care**
27 **needs county fund.**

28 SECTION 376. IC 12-19-1-22 IS AMENDED TO READ AS
29 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 22. ~~(a) All bonds issued~~
30 ~~and loans made under IC 12-1-11 (before its repeal) or this article~~
31 ~~before January 1, 2000; that are payable from property taxes imposed~~
32 ~~under IC 12-19-3 (before its repeal):~~

- 33 ~~(1) are direct general obligations of the county issuing the bonds~~
34 ~~or making the loans; and~~
- 35 ~~(2) are payable out of unlimited ad valorem taxes that shall be~~
36 ~~levied and collected on all taxable property within the county.~~

37 ~~(b) Each official and body responsible for the levying of taxes for~~
38 ~~the county must ensure that sufficient levies are made to meet the~~
39 ~~principal and interest on **the all bonds issued** and loans **made under**~~
40 ~~**this article before January 1, 2009**, at the time fixed for the payment~~
41 ~~of the principal and interest, without regard to any other statute. If an~~
42 ~~official or a body fails or refuses to make or allow a sufficient levy~~

1 required by this section, the bonds and loans and the interest on the
 2 bonds and loans shall be payable out of the county general fund without
 3 appropriation.

4 SECTION 377. IC 12-19-2-1 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. Unless expressly
 6 prohibited by law, the premiums on all bonds that an officer or other
 7 person is required to execute under this article shall be paid in the same
 8 manner as other expenses of the division ~~or county office~~ are paid out
 9 of the appropriation for fixed charges.

10 SECTION 378. IC 12-19-2-2, AS AMENDED BY P.L.234-2005,
 11 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 UPON PASSAGE]: Sec. 2. The following are not personally liable,
 13 except to the state, for an official act done or omitted in connection
 14 with the performance of duties under this article:

- 15 (1) The director of the division.
- 16 (2) Officers and employees of the division.
- 17 (3) Officers and employees of a **county local** office.
- 18 ~~(4) The director of the department of child services.~~
- 19 ~~(5) Officers and employees of the department of child services.~~

20 SECTION 379. IC 12-19-2-3, AS AMENDED BY P.L.234-2005,
 21 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 UPON PASSAGE]: Sec. 3. An officer or employee of:

- 23 (1) the division; **or**
- 24 (2) a **county local** office; **or**
- 25 ~~(3) the department of child services;~~

26 may administer oaths and affirmations required to carry out the
 27 purposes of this article or of any other statute imposing duties on the
 28 **county local** office.

29 SECTION 380. IC 12-19-2-5 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. A person who is
 31 related to a **county local** director in the following manner is not eligible
 32 for a position in the **county local** office:

- 33 (1) Husband or wife.
- 34 (2) Father or mother.
- 35 (3) Son or daughter.
- 36 (4) Son-in-law or daughter-in-law.
- 37 (5) Brother or sister.
- 38 (6) Niece or nephew.
- 39 (7) Uncle or aunt.

40 SECTION 381. IC 12-19-2-6 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. A person
 42 prohibited under section 5 of this chapter from employment with a

1 **county local** office may not receive compensation for services
 2 performed for the **county local** office from appropriations made by the
 3 state or by the county.

4 SECTION 382. IC 12-19-7-1, AS AMENDED BY P.L.145-2006,
 5 SECTION 109, IS AMENDED TO READ AS FOLLOWS
 6 [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter,
 7 "child services" means the following:

8 (1) Child welfare services specifically provided for children who
 9 are:

10 (A) adjudicated to be:

11 (i) children in need of services; or

12 (ii) delinquent children; or

13 (B) recipients of or are eligible for:

14 (i) informal adjustments;

15 (ii) service referral agreements; and

16 (iii) adoption assistance;

17 including the costs of using an institution or facility in Indiana for
 18 providing educational services as described in either
 19 IC 20-33-2-29 (if applicable) or IC 20-26-11-13 (if applicable), all
 20 services required to be paid by a county under IC 31-40-1-2, and
 21 all costs required to be paid by a county under IC 20-26-11-12.

22 (2) Assistance awarded by a county to a destitute child under
 23 IC 31-26-2.

24 (3) Child welfare services as described in IC 31-26-3 **(before its**
 25 **repeal) or child welfare programs under IC 31-26-3.5.**

26 SECTION 383. IC 12-19-7-1.5, AS AMENDED BY P.L.145-2006,
 27 SECTION 110, IS AMENDED TO READ AS FOLLOWS
 28 [EFFECTIVE UPON PASSAGE]: Sec. 1.5. (a) The division or the
 29 department of child services may transfer any of the following to a
 30 county family and children's fund:

31 (1) Money transferred under P.L.273-1999, SECTION 126, to the
 32 division from a county welfare fund on or after July 1, 2000,
 33 without regard to the county from which the money was
 34 transferred.

35 (2) Money appropriated to the division or department for any of
 36 the following:

37 (A) Assistance awarded by the department or a county office
 38 to a destitute child under IC 31-26-2.

39 (B) Child welfare services as described in IC 31-26-3 **(before**
 40 **its repeal) or child welfare programs under IC 31-26-3.5.**

41 (C) Any other services for which the expenses were paid from
 42 a county welfare fund before January 1, 2000.

1 (b) Money transferred under subsection (a)(1) or (a)(2) must be used
2 for purposes described in subsection (a)(2).

3 SECTION 384. IC 12-24-13-5, AS AMENDED BY P.L.1-2005,
4 SECTION 140, IS AMENDED TO READ AS FOLLOWS
5 [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) **Except as provided in**
6 **section 6 of this chapter**, whenever placement of a child with a
7 disability (as defined in IC 20-35-1-2) in a state institution is necessary
8 for the provision of special education for that child, the cost of the
9 child's education program, nonmedical care, and room and board shall
10 be paid by the division rather than by the child's parents, guardian, or
11 other responsible party.

12 (b) The child's parents, guardian, or other responsible party shall pay
13 the cost of any transportation not required by the child's individualized
14 education program (as defined in IC 20-18-2-9). The school
15 corporation in which the child has legal settlement (as determined
16 under IC 20-26-11) shall pay the cost of transportation required by the
17 student's individualized education program under IC 20-35-8-2.
18 However, this section does not relieve an insurer or other third party
19 from an otherwise valid obligation to provide or pay for the services
20 provided to the child.

21 (c) The Indiana state board of education and the divisions shall
22 jointly establish a procedure and standards for determining when
23 placement in a state institution is necessary for the provision of special
24 education for a child.

25 SECTION 385. IC 12-24-13-6, AS AMENDED BY P.L.145-2006,
26 SECTION 125, IS AMENDED TO READ AS FOLLOWS
27 [EFFECTIVE JANUARY 1, 2009]: Sec. 6. The department of child
28 services ~~or a county office~~ is responsible for the cost of treatment or
29 maintenance of a child under the department's ~~or county office's~~
30 custody or supervision who is placed **by or with the consent of the**
31 **department of child services** in a state institution. ~~only if the cost is~~
32 ~~reimbursable under the state Medicaid program under IC 12-15-~~

33 SECTION 386. IC 12-26-10-4, AS AMENDED BY P.L.145-2006,
34 SECTION 126, IS AMENDED TO READ AS FOLLOWS
35 [EFFECTIVE JANUARY 1, 2009]: Sec. 4. If the comfort and the care
36 of an individual are not otherwise provided:

- 37 (1) from the individual's estate;
- 38 (2) by the individual's relatives or friends; or
- 39 (3) through financial assistance from the department of child
40 services **or** the division of family resources; ~~or a county office;~~

41 the court may order the assistance furnished and paid for out of the
42 general fund of the county.

1 SECTION 387. IC 12-29-1-5, AS AMENDED BY P.L.219-2007,
 2 SECTION 96, AND AS AMENDED BY P.L.224-2007, SECTION
 3 101, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 4 [EFFECTIVE UPON PASSAGE]: Sec. 5. All general Indiana statutes
 5 relating to the following apply to the issuance of county bonds under
 6 this chapter:

- 7 (1) The filing of a petition requesting the issuance of bonds.
 8 (2) The giving of notice of the following:
 9 (A) The filing of the petition requesting the issuance of the
 10 bonds.
 11 (B) The determination to issue bonds.
 12 (C) A hearing on the appropriation of the proceeds of the
 13 bonds.
 14 (3) The right of taxpayers to appear and be heard on the proposed
 15 appropriation.
 16 (4) The approval of the appropriation by the department of local
 17 government finance (*before January 1, 2009*). *or the county*
 18 *board of tax and capital projects review (after December 31,*
 19 *2008).*
 20 (5) The right of:
 21 (A) taxpayers *and voters* to remonstrate against the issuance
 22 of bonds **in the case of a proposed bond issue described by**
 23 **IC 6-1.1-20-3.1(a); or**
 24 **(B) voters to vote on the issuance of bonds in the case of a**
 25 **proposed bond issue described by IC 6-1.1-20-3.5(a).**

26 SECTION 388. IC 12-29-2-18, AS AMENDED BY P.L.219-2007,
 27 SECTION 97, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2008]: Sec. 18. All general Indiana statutes relating to the
 29 following apply to the issuance of county bonds under this chapter:

- 30 (1) The filing of a petition requesting the issuance of bonds.
 31 (2) The giving of notice of the following:
 32 (A) The filing of the petition requesting the issuance of the
 33 bonds.
 34 (B) The determination to issue bonds.
 35 (C) A hearing on the appropriation of the proceeds of the
 36 bonds.
 37 (3) The right of taxpayers to appear and be heard on the proposed
 38 appropriation.
 39 (4) The approval of the appropriation by the department of local
 40 government finance.
 41 (5) The right of:
 42 (A) taxpayers and voters to remonstrate against the issuance of

1 bonds **in the case of a proposed bond issue described by**
 2 **IC 6-1.1-20-3.1(a); or**
 3 **(B) voters to vote on the issuance of bonds in the case of a**
 4 **proposed bond issue described by IC 6-1.1-20-3.5(a).**

5 SECTION 389. IC 13-18-8-2, AS AMENDED BY P.L.224-2007,
 6 SECTION 103, IS AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) If the offender is a
 8 municipal corporation, the cost of:

9 (1) acquisition, construction, repair, alteration, or extension of the
 10 necessary plants, machinery, or works; or

11 (2) taking other steps that are necessary to comply with the order;
 12 shall be paid out of money on hand available for these purposes or out
 13 of the general money of the municipal corporation not otherwise
 14 appropriated.

15 (b) If there is not sufficient money on hand or unappropriated, the
 16 necessary money shall be raised by the issuance of bonds. The bond
 17 issue is subject only to the approval of the department of local
 18 government finance (before January 1, 2009) or, ~~the county board of~~
 19 ~~tax and capital projects review if required, approval in a local public~~
 20 ~~question under IC 6-1.1-20-3.6~~ (after December 31, 2008).

21 SECTION 390. IC 13-21-3-15 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 15. (a) A district
 23 located in a county having a population of more than thirty-two
 24 thousand (32,000) but less than thirty-three thousand (33,000) may
 25 appeal to the department of local government finance to have a
 26 property tax rate in excess of the rate permitted by section 12 of this
 27 chapter. The appeal may be granted if the district establishes that all of
 28 the following conditions exist:

29 (1) The district is in the process of constructing a landfill.

30 (2) A higher property tax rate is necessary to pay the fees charged
 31 by out of county landfills to dispose of solid waste generated in
 32 the district during the design and construction phases of the
 33 landfill being established by the district.

34 (b) The procedure applicable to maximum levy appeals under
 35 IC 6-1.1-18.5 applies to an appeal under this section. Any additional
 36 levy granted under this section

37 ~~(1) is not part of the total county tax levy (as defined in~~
 38 ~~IC 6-1.1-21-2); and~~

39 ~~(2) may not exceed seven and thirty-three hundredths cents~~
 40 ~~(\$0.0733) on each one hundred dollars (\$100) of assessed~~
 41 ~~valuation of property in the district.~~

42 (c) The department of local government finance shall establish the

1 tax rate if a higher tax rate is permitted.

2 (d) A property tax rate imposed under this section expires not later
3 than December 31, 1997.

4 SECTION 391. IC 13-21-3-15.5 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 15.5. (a) A district
6 may appeal to the department of local government finance to have a
7 property tax rate in excess of the rate permitted by section 12 of this
8 chapter. The appeal may be granted if the district with respect to 2001
9 property taxes payable in 2002:

10 (1) imposed the maximum property tax rate established under
11 section 12 of this chapter; and

12 (2) collected property tax revenue in an amount less than the
13 maximum permissible ad valorem property tax levy determined
14 for the district under IC 6-1.1-18.5.

15 (b) The procedure applicable to maximum levy appeals under
16 IC 6-1.1-18.5 applies to an appeal under this section.

17 (c) An additional levy granted under this section

18 ~~(1) is not part of the total county tax levy (as defined in~~
19 ~~IC 6-1.1-21-2); and~~

20 ~~(2) may not exceed the rate calculated to result in a property tax~~
21 ~~levy equal to the maximum permissible ad valorem property tax~~
22 ~~levy determined for the district under IC 6-1.1-18.5.~~

23 (d) The department of local government finance shall establish the
24 tax rate if a higher tax rate is permitted.

25 SECTION 392. IC 14-23-3-3 IS AMENDED TO READ AS
26 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. ~~Annually~~ **(a) Before**
27 **January 1, 2009**, there shall **annually** be levied, ~~and collected~~ as other
28 **state ad valorem property** taxes are levied, ~~and collected~~ the amount
29 of sixteen hundredths of one cent (\$0.0016) upon each one hundred
30 dollars (\$100) worth of taxable property in Indiana. **An ad valorem**
31 **property tax may not be levied under this section for property**
32 **taxes first due and payable after December 31, 2008.**

33 **(b) The ad valorem property tax imposed under this section**
34 **shall be collected as other ad valorem property taxes are collected.**
35 **The county in which the property tax is levied shall transfer the**
36 **amounts collected from the levy to the treasurer of state for deposit**
37 **in the fund.**

38 (c) The money collected resulting from one hundred fifty-seven
39 thousandths of one cent (\$0.00157) of the rate shall be paid into the
40 fund. The money collected resulting from three thousandths of one cent
41 (\$0.00003) is appropriated to the budget agency for purposes of
42 department of local government finance data base management.

1 **(d) This section expires January 1, 2009.**

2 SECTION 393. IC 14-27-6-40, AS AMENDED BY P.L.219-2007,
3 SECTION 98, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2008]: Sec. 40. The provisions of IC 5-1 and IC 6-1.1-20
5 relating to the following apply to proceedings under this chapter:

- 6 (1) The filing of a petition requesting the issuance of bonds and
7 giving notice of the petition.
8 (2) The giving of notice of determination to issue bonds.
9 (3) The giving of notice of hearing on the appropriation of the
10 proceeds of bonds and the right of taxpayers to appeal and be
11 heard on the proposed appropriation.
12 (4) The approval of the appropriation by the department of local
13 government finance.
14 (5) The right of:
15 **(A) taxpayers and voters to remonstrate against the issuance of**
16 **bonds in the case of a proposed bond issue described by**
17 **IC 6-1.1-20-3.1(a); or**
18 **(B) voters to vote on the issuance of bonds in the case of a**
19 **proposed bond issue described by IC 6-1.1-20-3.5(a).**
20 (6) The sale of bonds at public sale for not less than the par value.

21 SECTION 394. IC 14-30-2-19, AS AMENDED BY P.L.224-2007,
22 SECTION 104, IS AMENDED TO READ AS FOLLOWS
23 [EFFECTIVE UPON PASSAGE]: Sec. 19. The commission shall
24 prepare an annual budget for the commission's operation and other
25 expenditures under IC 6-1.1-17. However, the annual budget is not
26 subject to review and modification by the county board of tax
27 adjustment (~~before January 1, 2009~~) or the county ~~board of tax and~~
28 ~~capital projects review~~ **fiscal body** (after December 31, 2008) of any
29 county. Notwithstanding any other law, the budget of the commission
30 shall be treated for all other purposes as if the appropriate county board
31 of tax adjustment (~~before January 1, 2009~~) or the county ~~board of tax~~
32 ~~and capital projects review~~ **fiscal body** (after December 31, 2008) had
33 approved the budget.

34 SECTION 395. IC 14-30-4-16, AS AMENDED BY P.L.224-2007,
35 SECTION 105, IS AMENDED TO READ AS FOLLOWS
36 [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) The commission shall
37 prepare an annual budget for the commission's operation and other
38 expenditures under IC 6-1.1-17. The annual budget is subject to review
39 and modification by the county board of tax adjustment (~~before January~~
40 ~~1, 2009~~) ~~or the county board of tax and capital projects review and~~
41 (after December 31, 2008) **the fiscal body** of any participating county.

- 42 (b) The commission is not eligible for funding through the Wabash

1 River heritage corridor commission established by IC 14-13-6-6.

2 SECTION 396. IC 14-33-9-1, AS AMENDED BY P.L.224-2007,
3 SECTION 106, IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The budget of a district:

5 (1) must be prepared and submitted:

6 (A) at the same time;

7 (B) in the same manner; and

8 (C) with notice;

9 as is required by statute for the preparation of budgets by
10 municipalities; and

11 (2) is subject to the same review by:

12 (A) the county board of tax adjustment (~~before January 1,~~
13 ~~2009~~) ~~or the county board of tax and capital projects review~~
14 ~~and~~, after December 31, 2008, **the fiscal body of each county**
15 **in which the district is located;** and

16 (B) the department of local government finance;

17 as is required by statute for the budgets of municipalities.

18 (b) If a district is established in more than one (1) county:

19 (1) except as provided in subsection (c), the budget shall be
20 certified to the auditor of the county in which is located the court
21 that had exclusive jurisdiction over the establishment of the
22 district; and

23 (2) notice must be published in each county having land in the
24 district. Any taxpayer in the district is entitled to be heard before
25 the county board of tax adjustment (~~before January 1, 2009~~) ~~or the~~
26 ~~county board of tax and capital projects review and~~, after
27 December 31, 2008, **the fiscal body of each county** having
28 jurisdiction.

29 (c) If one (1) of the counties in a district contains either a first or
30 second class city located in whole or in part in the district, the budget:

31 (1) shall be certified to the auditor of that county; and

32 (2) is subject to review at the county level only by the county
33 board of tax adjustment (~~before January 1, 2009~~) ~~or the county~~
34 ~~board of tax and capital projects review and~~, after December 31,
35 2008, **the fiscal body** of that county.

36 SECTION 397. IC 14-33-11-8 IS AMENDED TO READ AS
37 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) Before offering
38 bonds for sale, the board shall give notice in the same manner as is
39 **provided required by IC 6-1.1-20** for the sale of bonds by municipal
40 corporations.

41 (b) Persons affected are entitled to:

42 (1) remonstrate against issuance of the bonds **(in the case of a**

- 1 **preliminary determination made before July 1, 2008, to issue**
 2 **bonds); or**
 3 **(2) vote on the proposed issuance of bonds in an election on a**
 4 **local public question (in the case of a preliminary**
 5 **determination made after June 30, 2008, to issue bonds).**

6 (c) An action to question the validity of the bonds may not be
 7 instituted after the date fixed for sale, and the bonds are incontestable
 8 after that time.

9 SECTION 398. IC 14-33-11-9 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 9. If the board is denied
 11 the right to issue bonds as a result of remonstrance proceedings **or an**
 12 **election on a local public question held under IC 6-1.1-20-3.6:**

13 (1) all contracts let by the board for work to be paid from the sale
 14 of bonds are void; and

15 (2) no liability accrues to the district or to the board.

16 SECTION 399. IC 15-1.5-7-3 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) The fund consists
 18 of the following:

19 (1) Revenue from the property tax imposed under IC 15-1.5-8
 20 **before January 1, 2009.**

21 (2) Appropriations made by the general assembly.

22 (3) Interest accruing from investment of money in the fund.

23 (4) Certain proceeds from the operation of the fair.

24 (b) The fund is divided into the following accounts:

25 (1) Agricultural fair revolving contingency account.

26 (2) Other accounts established by the commission.

27 (c) The money credited to the agricultural fair revolving
 28 contingency account may only be used to pay start-up expenses for the
 29 fair each year. Money used to pay the start-up expenses from the
 30 account shall be replaced using proceeds from the operation of the fair
 31 before the proceeds may be used for any other purpose.

32 SECTION 400. IC 15-1.5-8-1 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. A tax is imposed
 34 upon all the taxable property in the state at a rate of eight hundredths
 35 of a cent (\$0.0008) for each one hundred dollars (\$100) of assessed
 36 valuation **for property taxes first due and payable before January**
 37 **1, 2009. The state may not impose an ad valorem property tax**
 38 **under this section for property taxes first due and payable after**
 39 **December 31, 2008.**

40 SECTION 401. IC 15-1.5-8-5 IS ADDED TO THE INDIANA
 41 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 42 [EFFECTIVE JULY 1, 2008]: **Sec. 5. This chapter expires January**

1 **1, 2009.**

2 SECTION 402. IC 16-22-6-20 IS AMENDED TO READ AS
 3 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 20. (a) If the execution
 4 of the original or a modified lease is authorized, notice of the signing
 5 shall be published on behalf of the county one (1) time in a newspaper
 6 of general circulation and published in the county. Except as provided
 7 in subsection (b), at least ten (10) taxpayers in the county whose tax
 8 rate will be affected by the proposed lease may file a petition with the
 9 county auditor not more than thirty (30) days after publication of notice
 10 of the execution of the lease. The petition must set forth the objections
 11 to the lease and facts showing that the execution of the lease is
 12 unnecessary or unwise or that the lease rental is not fair and reasonable.

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

18 SECTION 403. IC 16-22-8-43, AS AMENDED BY P.L.194-2007,
 19 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2008]: Sec. 43. (a) The corporation may issue general
 21 obligation bonds to procure funds to pay the cost of acquiring real
 22 property or constructing, enlarging, improving, remodeling, repairing,
 23 or equipping buildings for use as a hospital, a health care facility, or an
 24 administrative facility. The issuance of the bonds shall be authorized
 25 by a board resolution providing for the amount, terms, and tenor of the
 26 bonds, for the time and character of notice, and the mode of making the
 27 sale. The bonds shall be payable not more than forty (40) years after the
 28 date of issuance. The bonds shall be executed in the name of the
 29 corporation by the executive director.

30 (b) The executive director shall manage and supervise the
 31 preparation, advertisement, and sale of bonds, subject to the provisions
 32 of the authorizing resolution. Before the sale of the bonds, the
 33 executive director shall publish notice of the sale in accordance with
 34 IC 5-3-1, setting out the time and place where bids will be received, the
 35 amount and maturity dates of the issue, the maximum interest rate, and
 36 the terms and conditions of sale and delivery of the bonds. The bonds
 37 shall be sold to the highest and best bidder. After the bonds have been
 38 sold and executed, the executive director shall deliver the bonds to the
 39 treasurer of the corporation and take the treasurer's receipt, and shall
 40 certify to the treasurer the amount that the purchaser is to pay, together
 41 with the name and address of the purchaser. On payment of the
 42 purchase price, the treasurer shall deliver the bonds to the purchaser,

1 and the treasurer and executive director shall report the actions to the
2 board.

3 (c) IC 5-1 and IC 6-1.1-20 apply to the following proceedings:

4 (1) Notice and filing of the petition requesting the issuance of the
5 bonds.

6 (2) Notice of determination to issue bonds.

7 (3) Notice of hearing on the appropriation of the proceeds of the
8 bonds and the right of taxpayers to appeal and be heard.

9 (4) Approval by the department of local government finance.

10 (5) The right to:

11 (A) remonstrate **in the case of a proposed bond issue**
12 **described by IC 6-1.1-20-3.1(a); or**

13 **(B) vote on the issuance of bonds in the case of a proposed**
14 **bond issue described by IC 6-1.1-20-3.5(a).**

15 (6) Sale of bonds at public sale for not less than the par value.

16 (d) The bonds are the direct general obligations of the corporation
17 and are payable out of unlimited ad valorem taxes levied and collected
18 on all the taxable property within the county of the corporation. All
19 officials and bodies having to do with the levying of taxes for the
20 corporation shall see that sufficient levies are made to meet the
21 principal and interest on the bonds at the time fixed for payment.

22 (e) The bonds are exempt from taxation for all purposes but the
23 interest is subject to the adjusted gross income tax.

24 SECTION 404. IC 16-33-3-10 IS AMENDED TO READ AS
25 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. Whenever the
26 circuit court having jurisdiction finds, upon application by the ~~county~~
27 **local** office of ~~family and children~~, **the division of family resources**,
28 that the parent or guardian of a client placed in the center is unable to
29 meet the costs that the parent or guardian is required to pay for the
30 services of the center, the court shall order payment of the costs from
31 the county general fund.

32 SECTION 405. IC 16-33-4-12, AS AMENDED BY P.L.145-2006,
33 SECTION 137, IS AMENDED TO READ AS FOLLOWS
34 [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) An application for
35 admission to the home may be made by a responsible parent, a
36 guardian, a representative of the court, or the ~~county office of family~~
37 **and children**; **department of child services**.

38 (b) If an application is submitted by a person other than a
39 responsible parent or guardian, the superintendent of the home shall
40 cooperate with ~~the appropriate county office of family and children~~;
41 ~~either directly or through~~ the department of child services to ensure that
42 an appropriate case study is made upon application and continued

1 throughout the period the child resides at the home.

2 SECTION 406. IC 16-33-4-13 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) The
4 superintendent is responsible for the care, control, and training of
5 children admitted to and living in the home from the day a child is
6 admitted to the home until the child is:

- 7 (1) eighteen (18) years of age; or
8 (2) discharged from the home.

9 (b) The superintendent shall make certain in the case of every child
10 in the home that:

- 11 (1) there is a responsible parent;
12 (2) there is a responsible relative; or
13 (3) if a responsible parent or relative is not available, the child is
14 a ward of the ~~county office of family and children in the county of~~
15 **residence department of child services** from which there is a
16 representative;

17 who is regularly and frequently concerned with the welfare of the child.

18 (c) If:

- 19 (1) the parent or parents have been deprived of the custody and
20 control of a child by order of the court; and
21 (2) custody has been given by the court to ~~a county office of~~
22 **family and children; the department of child services;**

23 the wardship shall be retained by the ~~county office of family and~~
24 **children; department of child services.**

25 SECTION 407. IC 16-33-4-14 IS AMENDED TO READ AS
26 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) Either
27 parent, a guardian, a relative, or ~~a county office of family and children;~~
28 **the department of child services**, applying for the admission of a
29 child to the home shall, in securing admittance of the child, place the
30 child in the home for the length of time determined to be in the best
31 interests of the child.

32 (b) A child shall be returned at any time to the:

- 33 (1) parent or parents;
34 (2) relative; or
35 (3) ~~county office of family and children~~ **department of child**
36 **services** that placed the child in the home;

37 if removal of the child from the home is applied for upon written
38 application. The superintendent may require not more than thirty (30)
39 days notice when a discharge is requested.

40 (c) If the superintendent finds that a child does not adjust to
41 institutional living or is not educable, the superintendent:

- 42 (1) may:

1 (A) with the approval of the state health commissioner; and
 2 (B) upon proper notification;
 3 discharge the child to the applicant placing the child in the home;
 4 and

5 (2) shall cooperate with the ~~appropriate county office of family~~
 6 ~~and children department of child services~~ for further disposition
 7 of the case as necessary.

8 SECTION 408. IC 16-33-4-15 IS AMENDED TO READ AS
 9 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. A child
 10 admitted to the home may not be permanently removed from the home
 11 and placed elsewhere without the express approval of the:

12 (1) parent or parents who;
 13 (2) guardian who;
 14 (3) relative who; or
 15 (4) ~~county office of family and children~~ **department of child**
 16 **services** that;

17 applied for admission of the child to the home.

18 SECTION 409. IC 16-33-4-16 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. Either parent,
 20 a guardian, a relative, a representative of the ~~county office of family~~
 21 ~~and children~~, **department of child services**, or other person approved
 22 by the superintendent may visit a child being maintained in the home
 23 at times or places the superintendent prescribes.

24 SECTION 410. IC 16-33-4-17, AS AMENDED BY P.L.145-2006,
 25 SECTION 138, IS AMENDED TO READ AS FOLLOWS
 26 [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) Each child, the estate of
 27 the child, the parent or parents of the child, or the guardian of the child,
 28 individually or collectively, are liable for the payment of the costs of
 29 maintenance of the child of up to one hundred percent (100%) of the
 30 per capita cost, except as otherwise provided. The cost shall be
 31 computed annually by dividing the total annual cost of operation for the
 32 fiscal year, exclusive of the cost of education programs, construction,
 33 and equipment, by the total child days each year. The maintenance cost
 34 shall be referred to as maintenance charges. The charge may not be
 35 levied against any of the following:

36 (1) The department of child services. ~~or the county office of~~
 37 ~~family and children~~

38 **(2) A county or any person or office**, to be derived from county
 39 tax sources.

40 ~~(2)~~ **(3)** A child orphaned by reason of the death of the natural
 41 parents.

42 (b) The billing and collection of the maintenance charges as

1 provided for in subsection (a) shall be made by the superintendent of
2 the home based on the per capita cost for the preceding fiscal year. All
3 money collected shall be deposited in a fund to be known as the
4 Indiana soldiers' and sailors' children's home maintenance fund. The
5 fund shall be used by the state health commissioner for the:

6 (1) preventative maintenance; and

7 (2) repair and rehabilitation;

8 of buildings of the home that are used for housing, food service, or
9 education of the children of the home.

10 (c) The superintendent of the home may, with the approval of the
11 state health commissioner, agree to accept payment at a lesser rate than
12 that prescribed in subsection (a). The superintendent of the home shall,
13 in determining whether or not to accept the lesser amount, take into
14 consideration the amount of money that is necessary to maintain or
15 support any member of the family of the child. All agreements to
16 accept a lesser amount are subject to cancellation or modification at
17 any time by the superintendent of the home with the approval of the
18 state health commissioner.

19 (d) A person who has been issued a statement of amounts due as
20 maintenance charges may petition the superintendent of the home for
21 a release from or modification of the statement and the superintendent
22 shall provide for hearings to be held on the petition. The superintendent
23 of the home may, with the approval of the state health commissioner
24 and after the hearing, cancel or modify the former statement and at any
25 time for due cause may increase the amounts due for maintenance
26 charges to an amount not to exceed the maximum cost as determined
27 under subsection (a).

28 (e) The superintendent of the home may arrange for the
29 establishment of a graduation or discharge trust account for a child by
30 arranging to accept a lesser rate of maintenance charge. The trust fund
31 must be of sufficient size to provide for immediate expenses upon
32 graduation or discharge.

33 (f) The superintendent may make agreements with instrumentalities
34 of the federal government for application of any monetary awards to be
35 applied toward the maintenance charges in a manner that provides a
36 sufficient amount of the periodic award to be deposited in the child's
37 trust account to meet the immediate personal needs of the child and to
38 provide a suitable graduation or discharge allowance. The amount
39 applied toward the settlement of maintenance charges may not exceed
40 the amount specified in subsection (a).

41 (g) The superintendent of the home may do the following:

42 (1) Investigate, either with the superintendent's own staff or on a

1 contractual or other basis, the financial condition of each person
2 liable under this chapter.

3 (2) Make determinations of the ability of:

4 (A) the estate of the child;

5 (B) the legal guardian of the child; or

6 (C) each of the responsible parents of the child;

7 to pay maintenance charges.

8 (3) Set a standard as a basis of judgment of ability to pay that
9 shall be recomputed periodically to do the following:

10 (A) Reflect changes in the cost of living and other pertinent
11 factors.

12 (B) Provide for unusual and exceptional circumstances in the
13 application of the standard.

14 (4) Issue to any person liable under this chapter statements of
15 amounts due as maintenance charges, requiring the person to pay
16 monthly, quarterly, or otherwise as may be arranged, an amount
17 not exceeding the maximum cost as determined under this
18 chapter.

19 SECTION 411. IC 16-33-4-17.5 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 17.5. (a) In the
21 case of a child who is:

22 ~~(1) admitted to the home from another county; and~~

23 ~~(2) (1) adjudicated to be a delinquent child or child in need of~~
24 ~~services by the a juvenile court; in the county where the home is~~
25 ~~located; and~~

26 **(2) placed by or with the consent of the department of child**
27 **services in the home;**

28 ~~the juvenile court may order the county office of family and children~~
29 ~~of the child's county of residence before the child's admission to the~~
30 ~~home to department of child services shall reimburse the cost of~~
31 ~~services ordered by the juvenile court, provided to the child, including~~
32 ~~related transportation costs, and any cost incurred by the a county~~
33 ~~where the home is located to transport or detain the child before the~~
34 ~~order is issued. child is adjudicated to be a delinquent child or child~~
35 **in need of services.**

36 ~~(b) A county office of family and children ordered to The~~
37 **department of child services shall reimburse and pay** costs under this
38 section. ~~shall pay the amount ordered from the county family and~~
39 ~~children's fund.~~

40 (c) ~~The county office of family and children~~ **department of child**
41 **services** may require the parent or guardian of the child, other than a
42 parent, guardian, or custodian associated with the home, to reimburse

1 the **county family and children's fund department** for an amount paid
2 under this section.

3 (d) A child who is admitted to the home does not become a resident
4 of the county where the home is located.

5 (e) When an unemancipated child is released from the home, the
6 ~~county office of family and children for the child's county of residence~~
7 ~~before entering the home department of child services~~ is responsible
8 for transporting the child to the parent or guardian of the child. If a
9 parent or guardian does not exist for an unemancipated child released
10 from the home, the ~~county office of family and children of the child's~~
11 ~~county of residence before entering the home department of child~~
12 ~~services~~ shall obtain custody of the child.

13 SECTION 412. IC 16-34-2-1.1, AS AMENDED BY P.L.36-2005,
14 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 UPON PASSAGE]: Sec. 1.1. (a) An abortion shall not be performed
16 except with the voluntary and informed consent of the pregnant woman
17 upon whom the abortion is to be performed. Except in the case of a
18 medical emergency, consent to an abortion is voluntary and informed
19 only if the following conditions are met:

20 (1) At least eighteen (18) hours before the abortion and in the
21 presence of the pregnant woman, the physician who is to perform
22 the abortion, the referring physician or a physician assistant (as
23 defined in IC 25-27.5-2-10), an advanced practice nurse (as
24 defined in IC 25-23-1-1(b)), or a midwife (as defined in
25 IC 34-18-2-19) to whom the responsibility has been delegated by
26 the physician who is to perform the abortion or the referring
27 physician has orally informed the pregnant woman of the
28 following:

29 (A) The name of the physician performing the abortion.

30 (B) The nature of the proposed procedure or treatment.

31 (C) The risks of and alternatives to the procedure or treatment.

32 (D) The probable gestational age of the fetus, including an
33 offer to provide:

34 (i) a picture or drawing of a fetus;

35 (ii) the dimensions of a fetus; and

36 (iii) relevant information on the potential survival of an
37 unborn fetus;

38 at this stage of development.

39 (E) The medical risks associated with carrying the fetus to
40 term.

41 (F) The availability of fetal ultrasound imaging and
42 auscultation of fetal heart tone services to enable the pregnant

1 woman to view the image and hear the heartbeat of the fetus
2 and how to obtain access to these services.

3 (2) At least eighteen (18) hours before the abortion, the pregnant
4 woman will be orally informed of the following:

5 (A) That medical assistance benefits may be available for
6 prenatal care, childbirth, and neonatal care from the ~~county~~
7 **local office of family and children; the division of family**
8 **resources.**

9 (B) That the father of the unborn fetus is legally required to
10 assist in the support of the child. In the case of rape, the
11 information required under this clause may be omitted.

12 (C) That adoption alternatives are available and that adoptive
13 parents may legally pay the costs of prenatal care, childbirth,
14 and neonatal care.

15 (3) The pregnant woman certifies in writing, before the abortion
16 is performed, that the information required by subdivisions (1)
17 and (2) has been provided.

18 (b) Before an abortion is performed, the pregnant woman may, upon
19 the pregnant woman's request, view the fetal ultrasound imaging and
20 hear the auscultation of the fetal heart tone if the fetal heart tone is
21 audible.

22 SECTION 413. IC 16-34-2-3 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) All abortions
24 performed after a fetus is viable shall be:

- 25 (1) governed by section 1(a)(3) and 1(b) of this chapter;
26 (2) performed in a hospital having premature birth intensive care
27 units, unless compliance with this requirement would result in an
28 increased risk to the life or health of the mother; and
29 (3) performed in the presence of a second physician as provided
30 in subsection (b).

31 (b) An abortion may be performed after a fetus is viable only if there
32 is in attendance a physician, other than the physician performing the
33 abortion, who shall take control of and provide immediate care for a
34 child born alive as a result of the abortion. During the performance of
35 the abortion, the physician performing the abortion, and after the
36 abortion, the physician required by this subsection to be in attendance,
37 shall take all reasonable steps in keeping with good medical practice,
38 consistent with the procedure used, to preserve the life and health of
39 the viable unborn child. However, this subsection does not apply if
40 compliance would result in an increased risk to the life or health of the
41 mother.

42 (c) Any fetus born alive shall be treated as a person under the law,

1 and a birth certificate shall be issued certifying the child's birth even
 2 though the child may subsequently die, in which event a death
 3 certificate shall be issued. Failure to take all reasonable steps, in
 4 keeping with good medical practice, to preserve the life and health of
 5 the live born person shall subject the responsible persons to Indiana
 6 laws governing homicide, manslaughter, and civil liability for wrongful
 7 death and medical malpractice.

8 (d) If, before the abortion, the mother, and if married, her husband,
 9 has or have stated in writing that she does or they do not wish to keep
 10 the child in the event that the abortion results in a live birth, and this
 11 writing is not retracted before the abortion, the child, if born alive, shall
 12 immediately upon birth become a ward of the ~~county office of family~~
 13 ~~and children~~ **department of child services**.

14 SECTION 414. IC 16-35-4-2 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.
 16 **Notwithstanding the repeal of IC 16-35-3**, all money contained in or
 17 **received for deposit in** the children with special health care needs
 18 county fund established in each county under IC 16-35-3 (**repealed**)
 19 shall be transferred at the end of each month to the children with
 20 special health care needs state fund.

21 SECTION 415. IC 16-35-4-3 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The children
 23 with special health care needs state fund consists of the following:

24 (1) Money transferred ~~to the fund from the children with special~~
 25 ~~health care needs county fund~~ under ~~IC 16-35-3~~ **section 2 of this**
 26 **chapter**.

27 (2) Contributions to the fund from individuals, corporations,
 28 foundations, or other persons for the purpose of providing money
 29 to assist children with special health care needs.

30 (3) Appropriations made specifically to the fund by the general
 31 assembly.

32 SECTION 416. IC 16-39-3-8 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. If an emergency
 34 exists in which a child is alleged to be a child in need of services under
 35 IC 31-34-1 and the ~~county office of family and children~~ **department**
 36 **of child services** seeks access to the mental health records of the
 37 parent, guardian, or custodian of the child as a part of a preliminary
 38 inquiry under IC 31-34-7, the ~~county office~~ **department of child**
 39 **services** may file a verified petition, which sets forth the facts the
 40 ~~county office~~ **department of child services** alleges constitute an
 41 emergency, seeking an emergency hearing under this section. A request
 42 for access to a patient's mental health record under this section shall be

1 heard by the **juvenile** court having jurisdiction under IC 31-30 through
 2 IC 31-40. Notice of a hearing to be conducted under this section shall
 3 be served not later than twenty-four (24) hours before the hearing to all
 4 persons entitled to receive notice under section 4 of this chapter. If
 5 actual notice cannot be given, the ~~county office~~ **department of child**
 6 **services** shall file with the court an affidavit stating that verbal notice
 7 or written notice left at the last known address of the respondent was
 8 attempted not less than twenty-four (24) hours before the hearing. A
 9 hearing under this section shall be held not later than forty-eight (48)
 10 hours after the petition for an emergency hearing is filed. The **juvenile**
 11 court shall enter written findings concerning the release or denial of the
 12 release of the mental health records of the parent, guardian, or
 13 custodian. The **juvenile** court shall order the release of the mental
 14 health records if the court finds the following by a preponderance of the
 15 evidence:

16 (1) Other reasonable methods of obtaining the information sought
 17 are not available or would not be effective.

18 (2) The need for disclosure in the best interests of the child
 19 outweighs the potential harm to the patient caused by a necessary
 20 disclosure. In weighing the potential harm to the patient, the
 21 **juvenile** court shall consider the impact of disclosure on the
 22 provider-patient relationship and the patient's rehabilitative
 23 process.

24 SECTION 417. IC 16-40-1-2, AS AMENDED BY P.L.99-2007,
 25 SECTION 160, IS AMENDED TO READ AS FOLLOWS
 26 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in
 27 subsection (b), each:

28 (1) physician;

29 (2) superintendent of a hospital;

30 (3) director of a local health department;

31 (4) director of a ~~county local~~ office of ~~family and children~~; **the**
 32 **department of child services**;

33 (5) director of the division of disability and rehabilitative
 34 services;

35 (6) superintendent of a state institution serving individuals with
 36 a disability; or

37 (7) superintendent of a school corporation;

38 who diagnoses, treats, provides, or cares for a person with a disability
 39 shall report the disabling condition to the state department within sixty
 40 (60) days.

41 (b) Each:

42 (1) physician holding an unlimited license to practice medicine;

1 or

2 (2) optometrist licensed under IC 25-24-1;

3 shall file a report regarding a person who is blind or has a visual
4 impairment with the office of the secretary of family and social services
5 in accordance with IC 12-12-9.

6 SECTION 418. IC 20-19-2-8, AS ADDED BY P.L.65-2005,
7 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JANUARY 1, 2009]: Sec. 8. (a) In addition to any other powers and
9 duties prescribed by law, the state board shall adopt rules under
10 IC 4-22-2 concerning, but not limited to, the following matters:

11 (1) The designation and employment of the employees and
12 consultants necessary for the department. The state board shall fix
13 the compensation of employees of the department, subject to the
14 approval of the budget committee and the governor under
15 IC 4-12-2.

16 (2) The establishment and maintenance of standards and
17 guidelines ~~other than building, space, and site requirements~~, for
18 media centers, libraries, instructional materials centers, or any
19 other area or system of areas in a school where a full range of
20 information sources, associated equipment, and services from
21 professional media staff are accessible to the school community.
22 With regard to library automation systems, the state board may
23 only adopt rules that meet the standards established by the state
24 library board for library automation systems under
25 IC 4-23-7.1-11(b).

26 (3) The establishment and maintenance of standards for student
27 personnel and guidance services.

28 (4) The establishment and maintenance of minimum standards for
29 driver education programs (including classroom instruction and
30 practice driving) and equipment. Classroom instruction standards
31 established under this subdivision must include instruction about:

32 (A) railroad-highway grade crossing safety; and

33 (B) the procedure for participation in the human organ donor
34 program.

35 (5) The inspection of all public schools in Indiana to determine
36 the condition of the schools. The state board shall establish
37 standards governing the accreditation of public schools.
38 Observance of:

39 (A) IC 20-31-4;

40 (B) IC 20-28-5-2;

41 (C) IC 20-28-6-3 through IC 20-28-6-7;

42 (D) IC 20-28-9-7 and IC 20-28-9-8;

- 1 (E) IC 20-28-11; and
 2 (F) IC 20-31-3, IC 20-32-4, IC 20-32-5, IC 20-32-6, and
 3 IC 20-32-8;

4 is a prerequisite to the accreditation of a school. Local public
 5 school officials shall make the reports required of them and
 6 otherwise cooperate with the state board regarding required
 7 inspections. Nonpublic schools may also request the inspection
 8 for classification purposes. Compliance with the building and site
 9 guidelines adopted by the state board is not a prerequisite of
 10 accreditation.

11 (6) Subject to section 9 of this chapter, the adoption and approval
 12 of textbooks under IC 20-20-5.

13 (7) The distribution of funds and revenues appropriated for the
 14 support of schools in the state.

15 (8) The state board may not establish an accreditation system for
 16 nonpublic schools that is less stringent than the accreditation
 17 system for public schools.

18 (9) A separate system for recognizing nonpublic schools under
 19 IC 20-19-2-10. Recognition of nonpublic schools under this
 20 subdivision constitutes the system of regulatory standards that
 21 apply to nonpublic schools that seek to qualify for the system of
 22 recognition.

23 (10) The establishment and enforcement of standards and
 24 guidelines concerning the safety of students participating in
 25 cheerleading activities.

26 (b) Before final adoption of any rule, the state board shall make a
 27 finding on the estimated fiscal impact that the rule will have on school
 28 corporations.

29 SECTION 419. IC 20-19-2-12, AS AMENDED BY P.L.1-2006,
 30 SECTION 313, IS AMENDED TO READ AS FOLLOWS
 31 [EFFECTIVE JANUARY 1, 2009]: Sec. 12. (a) The state board shall,
 32 **in the manner provided by IC 4-22-2, adopt rules setting forth**
 33 nonbinding guidelines for the selection of school sites and the
 34 construction, alteration, and repair of school buildings, **athletic**
 35 **facilities, and other categories of facilities related to the operation**
 36 **and administration of school corporations.** The nonbinding
 37 guidelines (~~+~~) must include:

38 (1) preferred location and building practices for school
 39 corporations, including standards for enhancing health, **student**
 40 **safety, accessibility,** energy efficiency, ~~cost~~ **operating** efficiency,
 41 and instructional efficacy; ~~and~~

42 (2) ~~may include~~ guidelines concerning minimum acreage, cost per

1 square foot and or cost per ADM (as defined in IC 20-18-2-2),
 2 **technology infrastructure, building materials, per student**
 3 **square footage, and other general space requirements,**
 4 **including space for academics, administration and staff**
 5 **support, arts education and auditoriums, libraries, cafeterias,**
 6 **athletics and physical education, transportation facilities, and**
 7 **maintenance and repair facilities; and**
 8 **(3) additional guidelines that the state board considers**
 9 **necessary for efficient and cost effective construction of school**
 10 **facilities.**

11 **The building law compliance officer appointed under IC 10-19-7-4,**
 12 **the office of management and budget, and the department of local**
 13 **government finance shall, upon request of the board, provide**
 14 **technical assistance as necessary for the development of the**
 15 **guidelines.**

16 (b) The state board shall annually compile, in a document capable
 17 of easy revision, the:

18 (1) guidelines described in subsection (a); and

19 (2) rules of the:

20 (A) fire prevention and building safety commission; and

21 (B) state department of health;

22 that govern site selection and the construction, alteration, and repair of
 23 school buildings.

24 (c) **A school corporation shall consider the guidelines adopted**
 25 **under subsection (a) when developing plans and specifications for**
 26 **a facility described in subsection (a).** Before submitting completed
 27 written plans and specifications for the selection of a school building
 28 site or the construction or alteration of a school building to the division
 29 of fire and building safety for issuance of a design release under
 30 IC 22-15-3, a school corporation shall **do the following:**

31 **(1) Submit the proposed plans and specifications to the**
 32 **department. Within thirty (30) days after the department**
 33 **receives the plans and specifications, the department shall:**

34 **(A) review the plans and specifications to determine**
 35 **whether they comply with the guidelines adopted under**
 36 **subsection (a); and**

37 **(B) provide written recommendations concerning the plans**
 38 **and specifications to the school corporation, which must**
 39 **include findings as to any material differences between the**
 40 **plans and specifications and the guidelines adopted under**
 41 **subsection (a).**

42 **(+) (2) After the earlier of:**

- 1 **(A) receipt of the recommendations provided under**
 2 **subdivision (1)(B); or**
 3 **(B) the date that is thirty (30) days after the date the**
 4 **department received the plans and specifications under**
 5 **subdivision (1)(A);**

6 issue a public document that describes **the recommendations, if**
 7 **any, and** any material differences between the plans and
 8 specifications prepared by the school corporation and the
 9 guidelines adopted under subsection (a), as determined under the
 10 guidelines adopted by the state board. ~~and~~

11 ~~(2)~~ **(3)** After publishing a notice of the public hearing under
 12 IC 5-3-1, conduct a public hearing to receive public comment
 13 concerning the school corporation's plans and specifications.

14 After the public hearing and without conducting another public hearing
 15 under this subsection, the governing body may revise the plans and
 16 specifications or submit the plans and specifications to the division of
 17 fire and building safety without making changes. The school
 18 corporation shall revise the public document described in subdivision
 19 ~~(1)~~ **(2)** to identify any changes in the plans and specifications after the
 20 public document's initial preparation.

21 SECTION 420. IC 20-19-2-13, AS ADDED BY P.L.1-2005,
 22 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JANUARY 1, 2009]: Sec. 13. The state board may not approve or
 24 disapprove plans and specifications for the construction, alteration, or
 25 repair of school buildings, except as necessary under the following:

- 26 (1) The terms of a federal grant or a federal law.
 27 (2) IC 20-35-4-2 concerning the authorization of a special school
 28 for children with disabilities.

29 **However, the state board shall adopt guidelines concerning plans**
 30 **and specifications as required by section 12 of this chapter.**

31 SECTION 421. IC 20-19-3-8, AS ADDED BY P.L.1-2005,
 32 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JANUARY 1, 2009]: Sec. 8. **(a)** The department may not approve or
 34 disapprove plans and specifications for the construction, alteration, or
 35 repair of school buildings, except as necessary under the following:

- 36 (1) The terms of a federal grant or a federal law.
 37 (2) IC 20-35-4-2 concerning the authorization of a special school
 38 for children with disabilities.

39 **(b) Notwithstanding subsection (a), the department shall do the**
 40 **following:**

- 41 **(1) Receive and review plans and specifications as required by**
 42 **IC 20-19-2-12.**

1 **(2) Establish a central clearinghouse for access by school**
 2 **corporations that may want to use a prototype design in the**
 3 **construction of school facilities. The department shall compile**
 4 **necessary publications and may establish a computer data**
 5 **base to distribute information on prototype designs to school**
 6 **corporations. Architects and engineers registered to practice**
 7 **in Indiana may submit plans and specifications for a**
 8 **prototype design to the clearinghouse. The plans and**
 9 **specifications may be accessed by any person. However, the**
 10 **following provisions apply to a prototype design submitted to**
 11 **the clearinghouse:**

12 **(A) The original architect of record or engineer of record**
 13 **retains ownership of and liability for a prototype design.**

14 **(B) A school corporation or other person may not use a**
 15 **prototype design without the permission of the original**
 16 **architect of record or engineer of record.**

17 **The state board may adopt rules under IC 4-22-2 to**
 18 **implement this subdivision.**

19 SECTION 422. IC 20-20-34-1, AS ADDED BY P.L.2-2006,
 20 SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JANUARY 1, 2009]: Sec. 1. This chapter applies to each school
 22 corporation. ~~imposing a property tax under IC 20-46-2 for a calendar~~
 23 ~~year for the school corporation's special education preschool fund:~~

24 SECTION 423. IC 20-20-34-2, AS ADDED BY P.L.2-2006,
 25 SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JANUARY 1, 2009]: Sec. 2. (a) The auditor of state shall distribute to
 27 each school corporation an amount equal to ~~the result of the following~~
 28 ~~formula:~~

29 ~~STEP ONE: Determine the product of:~~

30 ~~(A) (1) two thousand seven hundred fifty dollars (\$2,750);~~
 31 ~~multiplied by~~

32 ~~(B) (2) the number of special education preschool children~~
 33 ~~who are students in the school corporation, as annually~~
 34 ~~determined by the department.~~

35 ~~STEP TWO: Determine the greater of zero (0) or the remainder~~
 36 ~~of:~~

37 ~~(A) the STEP ONE amount; minus~~

38 ~~(B) the property tax required by IC 20-46-2.~~

39 (b) A distribution under this section is in addition to any distribution
 40 of federal funds that are made available to the state for special
 41 education preschool programs.

42 SECTION 424. IC 20-20-36 IS ADDED TO THE INDIANA CODE

1 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
2 JANUARY 1, 2009]:

3 **Chapter 36. Levy Replacement Grant**

4 **Sec. 1. As used in this chapter, "credit" refers to a credit**
5 **granted under IC 6-1.1-20.6.**

6 **Sec. 2. As used in this chapter, "grant" refers to a grant**
7 **distributed under this chapter.**

8 **Sec. 3. As used in this chapter, "circuit breaker replacement**
9 **amount" refers to the amount determined under section 5 of this**
10 **chapter.**

11 **Sec. 4. A school corporation is entitled to a grant in:**

12 **(1) 2009 equal to the school corporation's circuit breaker**
13 **replacement amount for property taxes imposed for the**
14 **March 1, 2008, and January 15, 2009 assessment dates; and**

15 **(2) 2010 equal to the school corporation's circuit breaker**
16 **replacement amount for property taxes imposed for the**
17 **March 1, 2009, and January 15, 2010 assessment dates.**

18 **Sec. 5. A school corporation's circuit breaker replacement**
19 **amount for a particular calendar year is equal to the result**
20 **determined under STEP FOUR of the following formula:**

21 **STEP ONE: Determine the amount of credits granted against**
22 **the school corporation's combined levy for the school**
23 **corporation's debt service fund, capital projects fund,**
24 **transportation fund, school bus replacement fund, and racial**
25 **balance fund.**

26 **STEP TWO: Determine the sum of the STEP ONE amounts**
27 **for all school corporations in Indiana.**

28 **STEP THREE: Divide the STEP ONE amount by the STEP**
29 **TWO amount, rounding to the nearest ten thousandth**
30 **(0.0001).**

31 **STEP FOUR: Multiply the STEP THREE result by fifty**
32 **million dollars (\$50,000,000), rounding to the nearest dollar**
33 **(\$1).**

34 **Sec. 6. The department shall administer the grant program.**

35 **Sec. 7. (a) Not later than May 1 of a calendar year, the budget**
36 **agency shall certify to the department an initial estimate of the**
37 **circuit breaker replacement amount attributable to each school**
38 **corporation for the calendar year.**

39 **(b) Not later than November 1 of a calendar year, the budget**
40 **agency shall certify to the department a final estimate of the circuit**
41 **breaker replacement amount attributable to each school**
42 **corporation for the calendar year.**

1 (c) The budget agency shall compute an amount certified under
2 this section using the best information available to the budget
3 agency at the time the certification is made.

4 Sec. 8. Subject to section 9 of this chapter, the department shall
5 distribute a grant to a school corporation equal to fifty percent
6 (50%) of the school corporation's estimated circuit breaker
7 replacement amount for the calendar year in two (2) installments.
8 An installment shall be paid not later than:

9 (1) June 20; and

10 (2) December 20;

11 of the calendar year.

12 Sec. 9. Based on the final estimate of the circuit breaker
13 replacement amount certified to the department by the budget
14 agency, the department shall settle any overpayment or
15 underpayment of circuit breaker replacement amounts to a school
16 corporation. The department may offset overpayments of circuit
17 breaker replacement amounts for a particular calendar year
18 against:

19 (1) a grant; or

20 (2) state tuition support distribution;

21 that the school corporation would otherwise be entitled to receive.

22 Sec. 10. A school corporation shall deposit and use the amount
23 received from a grant as follows:

24 (1) An amount equal to the revenue lost to the school
25 corporation's debt service fund as the result of the granting of
26 credits shall be deposited in the school corporation's debt
27 service fund for the purposes of the debt service fund.

28 (2) Any part of a grant remaining after making the deposit
29 required under subdivision (1) may be deposited in any
30 combination of the school corporation's capital projects fund,
31 transportation fund, school bus replacement fund, and racial
32 balance fund, as determined by the school corporation.

33 SECTION 425. IC 20-20-37 IS ADDED TO THE INDIANA CODE
34 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
35 JANUARY 1, 2009]:

36 **Chapter 37. Retirement or Severance Liability Obligation Grant**

37 Sec. 1. As used in this chapter, "grant" refers to a grant under
38 this chapter.

39 Sec. 2. As used in this chapter, "retirement or severance liability
40 obligations" means principal or interest payments on bonds issued
41 to finance or retire retirement or severance liability obligations (as
42 defined in IC 20-48-1-2(a)). The term applies only to bonds issued

1 under:

- 2 (1) IC 20-5-4-1.7 (repealed) before December 31, 2004; or
3 (2) IC 21-2-21-1.8 (repealed) or IC 20-48-1-2 before July 1,
4 2006.

5 Sec. 3. A school corporation is entitled to receive a grant in any
6 calendar year in which the school corporation has a retirement or
7 severance liability obligation.

8 Sec. 4. The amount of a grant to which a school corporation is
9 entitled in a calendar year is the amount of the school
10 corporation's retirement or severance liability obligations that are
11 first due and payable in the calendar year, as determined by the
12 budget agency after review by the budget committee.

13 Sec. 5. The department shall distribute grants on a schedule
14 determined by the department, after reviewing the
15 recommendation of the budget agency, that will provide sufficient
16 money to each school corporation to pay retirement or severance
17 liability obligations as they come due.

18 Sec. 6. A school corporation shall deposit the proceeds of a grant
19 in the fund from which the school corporation is obligated to pay
20 retirement or severance liability obligations.

21 Sec. 7. To be eligible for a grant, a school corporation must
22 provide the department with the information necessary for the
23 department to calculate the school corporation's grant, including
24 changes in retirement or severance liability obligations due to
25 refundings.

26 Sec. 8. (a) The amount of a grant that a school corporation is
27 entitled to receive in a calendar year shall be treated as a property
28 tax levy for the purposes of fixing budgets, setting property tax
29 levies for the year, and receiving distributions under IC 6-5.5 and
30 IC 6-6. The department of local government finance may not
31 approve under IC 6-1.1-17-16 any part of property tax levy that
32 was adopted by a school corporation to raise an amount for which
33 a grant is provided under this chapter.

34 (b) Each year that a school corporation receives a grant under
35 this chapter, the school corporation shall reduce the total property
36 tax levy for the school corporation's transportation, school bus
37 replacement, capital projects, and art association and historical
38 society funds, as appropriate, in an amount equal to the grant
39 received under this chapter for that year. The property tax rate for
40 these funds shall be reduced for every year until the retirement or
41 severance obligations are retired.

42 Sec. 9. There is annually appropriated the amount necessary to

1 **the department from the state general fund to make the**
 2 **distributions required under this chapter.**

3 SECTION 426. IC 20-21-2-8, AS ADDED BY P.L.1-2005,
 4 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 UPON PASSAGE]: Sec. 8. Upon the presentation of satisfactory
 6 evidence showing that:

- 7 (1) there is a school age individual with a visual disability
 8 residing in a county;
- 9 (2) the individual is entitled to the facilities of the school;
- 10 (3) the individual's parent wishes the individual to participate in
 11 the school's educational program but is unable to pay the expenses
 12 of maintaining the individual at the school; and
- 13 (4) the individual is entitled to placement in the school under
 14 section 6 of this chapter;

15 a court with jurisdiction shall, upon application by the **county local**
 16 office of **the division of family and children, resources**, order the
 17 individual to be sent to the school at the expense of the county. The
 18 expenses include the expenses described in section 10 of this chapter
 19 and shall be paid from the county general fund.

20 SECTION 427. IC 20-22-2-8, AS ADDED BY P.L.1-2005,
 21 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 UPON PASSAGE]: Sec. 8. Upon the presentation of satisfactory
 23 evidence showing that:

- 24 (1) there is a school age individual with a hearing disability
 25 residing in a county;
- 26 (2) the individual is entitled to the facilities of the school;
- 27 (3) the individual's parent wishes the individual to participate in
 28 the school's educational program but is unable to pay the expenses
 29 of maintaining the individual at the school; and
- 30 (4) the individual is entitled to placement in the school under
 31 section 6 of this chapter;

32 a court with jurisdiction shall, upon application by the **county local**
 33 office of **the division of family and children, resources**, order the
 34 individual to be sent to the school at the expense of the county. The
 35 expenses include the expenses described in section 10 of this chapter
 36 and shall be paid from the county general fund.

37 SECTION 428. IC 20-23-4-42, AS ADDED BY P.L.1-2005,
 38 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JANUARY 1, 2009]: Sec. 42. (a) ~~The state board shall enforce the~~
 40 ~~rules compiled under IC 20-19-2-8 that establish~~ procedures and
 41 ~~standards set forth in IC 20-19-2-12 concerning the review of, and~~
 42 **public hearings concerning, plans and specifications** for the

1 construction of, addition to, or remodeling of school facilities ~~The~~
 2 ~~commission shall apply these rules~~ equally to facilities to be used or
 3 leased by both community school corporations and school corporations
 4 that are not community school corporations.

5 (b) ~~A school building or an addition to a school building may not be~~
 6 ~~constructed and a lease of a school building for a term of more than one~~
 7 ~~(1) year may not be entered into by a school corporation other than a~~
 8 ~~community school corporation or by two (2) or more school~~
 9 ~~corporations jointly without the approval of the state board. For~~
 10 ~~purposes of this subsection, "community school corporation" does not~~
 11 ~~include a community school corporation governed by an interim board~~
 12 ~~of school trustees.~~

13 ~~(c) (b)~~ An action to question any approval referred to in this section
 14 ~~or~~ to enjoin school construction or the performance of any of the terms
 15 and conditions of a lease or the execution, sale, or delivery of bonds, on
 16 the ground that any approval should not have been granted, may not be
 17 instituted at any time later than fifteen (15) days after approval has
 18 been granted.

19 SECTION 429. IC 20-23-9-4, AS ADDED BY P.L.1-2005,
 20 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2008]: Sec. 4. (a) An annexing corporation may file a petition
 22 of appeal with the ~~department of local government finance~~ **fiscal body**
 23 **of the county in which the annexing corporation has the largest**
 24 **part of its net assessed value** for emergency financial relief.

25 (b) The annexing corporation shall serve the petition on the
 26 following:

- 27 (1) The department.
- 28 (2) The township.
- 29 (3) The township school.
- 30 (4) Any other annexing corporation that annexed the township
 31 school on the same date.

32 (c) All annexing corporations are parties to the petition.

33 SECTION 430. IC 20-23-9-5, AS ADDED BY P.L.1-2005,
 34 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2008]: Sec. 5. If the ~~department of local government finance~~
 36 **county fiscal body** receives a petition of appeal under section 4 of this
 37 chapter, the ~~department of local government finance~~ **county fiscal**
 38 **body** shall submit the petition to the school property tax control board
 39 ~~established by IC 6-1.1-19-4.1 for conduct~~ a factfinding hearing.

40 SECTION 431. IC 20-23-9-6, AS ADDED BY P.L.231-2005,
 41 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2008]: Sec. 6. (a) ~~If the department of local government~~

1 finance submits a petition to the school property tax control board
 2 under section 5 of this chapter; the school property tax control board
 3 shall hold a factfinding hearing.

4 ~~(b)~~ At a hearing described in ~~subsection (a)~~, **section 5 of this**
 5 **chapter**, the ~~school property tax control board~~ **county fiscal body** shall
 6 determine the following:

7 (1) Whether the township school has made all payments required
 8 by any statute, including the following:

9 (A) P.L.32-1999.

10 (B) IC 20-23-5-12.

11 (C) The resolution or plan of annexation of the township
 12 school, including:

13 (i) any amendment to the resolution or plan;

14 (ii) any supporting or related documents; and

15 (iii) any agreement between the township school and an
 16 annexing corporation relating to the winding up of affairs of
 17 the township school.

18 (2) The amount, if any, by which the township school is in arrears
 19 on any payment described in subdivision (1).

20 (3) Whether the township school has filed ~~with the department of~~
 21 ~~local government finance~~ all **required** reports concerning the
 22 affairs of the township school, including all transfer tuition
 23 reports required for the two (2) school years immediately
 24 preceding the date on which the township school was annexed.

25 ~~(c)~~ **(b)** In determining the amount of arrears under subsection ~~(b)(2)~~;
 26 **(a)(2)**, the ~~school property tax control board~~ **county fiscal body** shall
 27 consider all amounts due to an annexing corporation, including the
 28 following:

29 (1) Any transfer tuition payments due to the annexing corporation.

30 (2) All levies, excise tax distributions, and state distributions
 31 received by the township school and due to the annexing
 32 corporation, including levies and distributions received by the
 33 township school after the date on which the township school was
 34 annexed.

35 ~~(3) All excessive levies that the township school agreed to impose~~
 36 ~~and pay to an annexing corporation but failed to impose.~~

37 ~~(d)~~ **(c)** If, in a hearing under this section, a ~~school property tax~~
 38 ~~control board~~ **county fiscal body** determines that a township school
 39 has:

40 (1) under subsection ~~(b)(1)~~; **(a)(1)**, failed to make a required
 41 payment; or

42 (2) under subsection ~~(b)(3)~~; **(a)(3)**, failed to file a required report;

1 the ~~department~~ **county fiscal body** may act under section 7 of this
2 chapter.

3 SECTION 432. IC 20-23-9-7, AS ADDED BY P.L.1-2005,
4 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2008]: Sec. 7. (a) If a ~~school property tax control board~~
6 **county fiscal body** makes a determination under section 6(d) of this
7 chapter, the ~~department:~~ **county fiscal body:**

- 8 (1) may prohibit a township from:
9 (A) acquiring real estate;
10 (B) making a lease or incurring any other contractual
11 obligation calling for an annual outlay by the township
12 exceeding ten thousand dollars (\$10,000);
13 (C) purchasing personal property for a consideration greater
14 than ten thousand dollars (\$10,000); and
15 (D) adopting or advertising a budget, tax levy, or tax rate for
16 any calendar year;
17 until the township school has made all required payments under
18 section ~~6(b)(1)~~ **6(a)(1)** of this chapter and filed all required
19 reports under section ~~6(b)(3)~~ **6(a)(3)** of this chapter; and
20 (2) shall certify to the treasurer of state the amount of arrears
21 determined under section ~~6(b)(2)~~ **6(a)(2)** of this chapter.

22 (b) Upon being notified of the amount of arrears certified under
23 subsection (a)(2), the treasurer of state shall make payments from the
24 funds of state to the extent, but not in excess, of any amounts
25 appropriated by the general assembly for distribution to the township
26 school, deducting the payments from any amount distributed to the
27 township school.

28 SECTION 433. IC 20-23-9-8, AS ADDED BY P.L.1-2005,
29 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 2008]: Sec. 8. The ~~department~~ **county fiscal body** may grant
31 permission to a township school or a township to impose ~~an excess a~~
32 **levy for the debt service fund of the township school or township** to
33 satisfy its obligations under this chapter.

34 SECTION 434. IC 20-24-7-2, AS AMENDED BY P.L.2-2006,
35 SECTION 106, IS AMENDED TO READ AS FOLLOWS
36 [EFFECTIVE JANUARY 1, 2009]: Sec. 2. (a) Not later than the date
37 established by the department for determining ADM, and after May 31
38 each year, the organizer shall submit to the department the following
39 information on a form prescribed by the department:

- 40 (1) The number of students enrolled in the charter school.
41 (2) The name and address of each student.
42 (3) The name of the school corporation in which the student has

- 1 legal settlement.
- 2 (4) The name of the school corporation, if any, that the student
- 3 attended during the immediately preceding school year.
- 4 (5) The grade level in which the student will enroll in the charter
- 5 school.
- 6 The department shall verify the accuracy of the information reported.
- 7 (b) This subsection applies after December 31 of the calendar year
- 8 in which a charter school begins its initial operation. The department
- 9 shall distribute to the organizer the state tuition support distribution.
- 10 The department shall make a distribution under this subsection at the
- 11 same time and in the same manner as the department makes a
- 12 distribution of state tuition support under IC 20-43-2 to other school
- 13 corporations.
- 14 (c) ~~The department shall provide to the department of local~~
- 15 ~~government finance the following information:~~
- 16 (1) ~~For each county, the number of students who:~~
- 17 (A) ~~have legal settlement in the county; and~~
- 18 (B) ~~attend a charter school:~~
- 19 (2) ~~The school corporation in which each student described in~~
- 20 ~~subdivision (1) has legal settlement:~~
- 21 (3) ~~The charter school that a student described in subdivision (1)~~
- 22 ~~attends and the county in which the charter school is located:~~
- 23 (4) ~~The amount of the tuition support levy determined under~~
- 24 ~~IC 20-45-3-11 for each school corporation described in~~
- 25 ~~subdivision (2):~~
- 26 (5) ~~The amount determined under STEP TWO of the following~~
- 27 ~~formula:~~
- 28 ~~STEP ONE: Determine the product of:~~
- 29 (A) ~~the target revenue per ADM (as defined in~~
- 30 ~~IC 20-43-1-26) determined for a charter school described in~~
- 31 ~~subdivision (3); multiplied by~~
- 32 (B) ~~thirty-five hundredths (0.35):~~
- 33 ~~STEP TWO: Determine the product of:~~
- 34 (A) ~~the STEP ONE amount; multiplied by~~
- 35 (B) ~~the current ADM of a charter school described in~~
- 36 ~~subdivision (3):~~
- 37 (6) ~~The amount determined under STEP THREE of the following~~
- 38 ~~formula:~~
- 39 ~~STEP ONE: Determine the number of students described in~~
- 40 ~~subdivision (1) who:~~
- 41 (A) ~~attend the same charter school; and~~
- 42 (B) ~~have legal settlement in the same school corporation~~

- 1 located in the county.
- 2 ~~STEP TWO: Determine the subdivision (5) STEP ONE~~
- 3 ~~amount for a charter school described in STEP ONE (A):~~
- 4 ~~STEP THREE: Determine the product of:~~
- 5 ~~(A) the STEP ONE amount; multiplied by~~
- 6 ~~(B) the STEP TWO amount.~~

7 SECTION 435. IC 20-24-7-3, AS AMENDED BY P.L.2-2006,
8 SECTION 107, IS AMENDED TO READ AS FOLLOWS
9 [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) This section applies to
10 a conversion charter school.

11 ~~(b)~~ Not later than the date established by the department for
12 determining ADM and after July 2, the organizer shall submit to a
13 governing body on a form prescribed by the department the information
14 reported under section 2(a) of this chapter for each student who:

- 15 ~~(1)~~ is enrolled in the organizer's conversion charter school; and
- 16 ~~(2)~~ has legal settlement in the governing body's school
17 corporation.

18 ~~(c)~~ **(b)** Beginning not more than sixty (60) days after the department
19 receives the information reported under section 2(a) of this chapter, the
20 department shall distribute to the organizer:

- 21 (1) tuition support and other state funding for any purpose for
22 students enrolled in the conversion charter school;
- 23 (2) a proportionate share of state and federal funds received:
- 24 (A) for students with disabilities; or
- 25 (B) **for** staff services for students with disabilities;
26 enrolled in the conversion charter school; and
- 27 (3) a proportionate share of funds received under federal or state
28 categorical aid programs for students who are eligible for the
29 federal or state categorical aid and are enrolled in the conversion
30 charter school;

31 for the second six (6) months of the calendar year in which the
32 conversion charter school is established. The department shall make a
33 distribution under this subsection at the same time and in the same
34 manner as the department makes a distribution to the governing body
35 of the school corporation in which the conversion charter school is
36 located. A distribution to the governing body of the school corporation
37 in which the conversion charter school is located is reduced by the
38 amount distributed to the conversion charter school. This subsection
39 does not apply to a conversion charter school after December 31 of the
40 calendar year in which the conversion charter school is established.

41 ~~(d)~~ This subsection applies beginning with the first property tax
42 distribution described in ~~IC 6-1.1-27-1~~ to the governing body of the

1 school corporation in which a conversion charter school is located after
 2 the governing body receives the information reported under subsection
 3 (b): Not more than ten (10) days after the governing body receives a
 4 property tax distribution described in IC 6-1.1-27-1, the governing
 5 body shall distribute to the conversion charter school the amount
 6 determined under STEP THREE of the following formula:

7 STEP ONE: Determine the quotient of:

8 (A) the number of students who:

9 (i) are enrolled in the conversion charter school; and

10 (ii) were counted in the ADM of the previous year for the
 11 school corporation in which the conversion charter school is
 12 located; divided by

13 (B) the current ADM of the school corporation in which the
 14 conversion charter school is located:

15 In determining the number of students enrolled under clause
 16 (A)(i), each kindergarten student shall be counted as one-half
 17 (1/2) student.

18 STEP TWO: Determine the total amount of the following
 19 revenues to which the school corporation in which the conversion
 20 charter school is located is entitled for the second six (6) months
 21 of the calendar year in which the conversion charter school is
 22 established:

23 (A) Revenues obtained by the school corporation's:

24 (i) general fund property tax levy; and

25 (ii) excise tax revenue (as defined in IC 20-43-1-12);

26 (B) The school corporation's certified distribution of county
 27 adjusted gross income tax revenue under IC 6-3.5-1.1 that is
 28 to be used as property tax replacement credits:

29 STEP THREE: Determine the product of:

30 (A) the STEP ONE amount; multiplied by

31 (B) the STEP TWO amount:

32 (c) Subsection (d) does not apply to a conversion charter school
 33 after the later of the following dates:

34 (1) December 31 of the calendar year in which the conversion
 35 charter school is established:

36 (2) Ten (10) days after the date on which the governing body of
 37 the school corporation in which the conversion charter school is
 38 located receives the final distribution described in IC 6-1.1-27-1
 39 of revenues to which the school corporation in which the
 40 conversion charter school is located is entitled for the second six
 41 (6) months of the calendar year in which the conversion charter
 42 school is established:

1 ~~(f)~~ (c) This subsection applies during the second six (6) months of
 2 the calendar year in which a conversion charter school is established.
 3 A conversion charter school may apply for an advance from the charter
 4 school advancement account under IC 20-49-7 in the amount
 5 determined under STEP FOUR of the following formula:

6 STEP ONE: Determine the result under subsection (d) STEP
 7 ONE (A).

8 STEP TWO: Determine the difference between:

9 (A) the conversion charter school's current ADM; minus

10 (B) the STEP ONE amount.

11 STEP THREE: Determine the quotient of:

12 (A) the STEP TWO amount; divided by

13 (B) the conversion charter school's current ADM.

14 STEP FOUR: Determine the product of:

15 (A) the STEP THREE amount; multiplied by

16 (B) the quotient of:

17 (i) the subsection (d) STEP TWO amount; divided by

18 (ii) two (2).

19 SECTION 436. IC 20-24-7-4, AS AMENDED BY P.L.2-2006,
 20 SECTION 108, IS AMENDED TO READ AS FOLLOWS
 21 [EFFECTIVE JANUARY 1, 2009]: Sec. 4. (a) Services that a school
 22 corporation provides to a charter school, including transportation, may
 23 be provided at not more than one hundred three percent (103%) of the
 24 actual cost of the services.

25 (b) This subsection applies to a sponsor that is a state educational
 26 institution described in IC 20-24-1-7(2). In a calendar year, a state
 27 educational institution may receive from the organizer of a charter
 28 school sponsored by the state educational institution an administrative
 29 fee equal to not more than three percent (3%) of the total amount the
 30 organizer receives during the calendar year

31 ~~(1) under section 12 of this chapter; and~~

32 ~~(2) from basic tuition support (as defined in IC 20-43-1-8).~~

33 SECTION 437. IC 20-24-7-9, AS AMENDED BY P.L.2-2006,
 34 SECTION 109, IS AMENDED TO READ AS FOLLOWS
 35 [EFFECTIVE JANUARY 1, 2009]: Sec. 9. (a) This section applies if:

36 (1) a sponsor:

37 (A) revokes a charter before the end of the term for which the
 38 charter is granted; or

39 (B) does not renew a charter; or

40 (2) a charter school otherwise terminates its charter before the end
 41 of the term for which the charter is granted.

42 (b) Any ~~local or~~ state funds that remain to be distributed to the

1 charter school in the calendar year in which an event described in
2 subsection (a) occurs shall be distributed as follows:

3 (1) First, to the common school loan fund to repay any existing
4 obligations of the charter school under IC 20-49-7.

5 (2) Second, to the entities that distributed the funds to the charter
6 school. A distribution under this subdivision shall be on a pro rata
7 basis.

8 (c) If the funds described in subsection (b) are insufficient to repay
9 all existing obligations of the charter school under IC 20-49-7, the state
10 shall repay any remaining obligations of the charter school under
11 IC 20-49-7 from the amount appropriated for state tuition support
12 distributions.

13 SECTION 438. IC 20-24.5-2-10, AS ADDED BY P.L.2-2007,
14 SECTION 209, IS AMENDED TO READ AS FOLLOWS
15 [EFFECTIVE JANUARY 1, 2009]: Sec. 10. A laboratory school that:

16 (1) is operated without an agreement; and

17 (2) has an ADM of not more than seven hundred fifty (750);

18 must be treated as a charter school for purposes of ~~local funding under~~
19 ~~IC 20-45-3~~ and state funding under IC 20-20-33 and IC 20-43.

20 SECTION 439. IC 20-25-8-3, AS ADDED BY P.L.1-2005,
21 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22 UPON PASSAGE]: Sec. 3. Each school shall report to the ~~county local~~
23 office of ~~family and children~~ **the department of child services** the
24 names of foster parents who have not completed a compact under this
25 chapter.

26 SECTION 440. IC 20-26-7-17, AS ADDED BY P.L.1-2005,
27 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JANUARY 1, 2009]: Sec. 17. (a) A school corporation may:

29 (1) purchase buildings or lands, or both, for school purposes; and

30 (2) improve the buildings or lands, or both.

31 (b) An existing building, other than a building obtained under
32 IC 5-17-2 (before its repeal) or IC 4-13-1.7, permitting the purchase of
33 suitable surplus government buildings, may not be purchased for use
34 as a school building unless the building was originally constructed for
35 use by the school corporation and used for that purpose for at least five
36 (5) years preceding the acquisition as provided in this section through
37 section 19 of this chapter.

38 (c) Notwithstanding this section through section 19 of this chapter
39 limiting the purchase of school buildings, a school corporation may:

40 (1) purchase suitable buildings or lands, or both, adjacent to
41 school property for school purposes; and

42 (2) improve the buildings or lands, or both, after giving notice to

1 the taxpayers of the intention of the school corporation to
2 purchase.

3 The taxpayers of the school corporation have the same right of appeal
4 to the ~~department of local government finance~~ **county fiscal body**
5 under the same procedure as provided for in IC 6-1.1-20-5 through
6 IC 6-1.1-20-6.

7 SECTION 441. IC 20-26-7-18, AS ADDED BY P.L.1-2005,
8 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 JANUARY 1, 2009]: Sec. 18. A school corporation may issue and sell
10 bonds under the general statutes governing the issuance of bonds to
11 purchase and improve buildings or lands, or both. All laws relating to
12 **approval (if required) in a local public question under IC 6-1.1-20,**
13 the filing of petitions, remonstrances, and objecting petitions, giving
14 notices of the filing of petitions, the determination to issue bonds, and
15 the appropriation of the proceeds of the bonds are applicable to the
16 issuance of bonds under sections 17 through 19 of this chapter.

17 SECTION 442. IC 20-26-9-12, AS ADDED BY P.L.1-2005,
18 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 JANUARY 1, 2009]: Sec. 12. (a) School cities, school townships,
20 school towns, and joint districts may:

- 21 (1) establish, equip, operate, and maintain school kitchens and
- 22 school lunchrooms for the improvement of the health of students
- 23 and for the advancement of the educational work of their
- 24 respective schools;
- 25 (2) employ all necessary directors, assistants, and agents; and
- 26 (3) appropriate funds for the school lunch program.

27 Participation in a school lunch program under this chapter is
28 discretionary with the governing board of a school corporation.

29 (b) If federal funds are not available to operate a school lunch
30 program:

- 31 (1) the state may not participate in a school lunch program; and
- 32 (2) money appropriated by the state for that purpose and not
- 33 expended shall immediately revert to the state general fund.

34 (c) Failure on the part of the state to participate in the school lunch
35 program does not invalidate any appropriation made or school lunch
36 program carried on by a school corporation by means of gifts or money
37 ~~raised by tax levy under this chapter.~~ **appropriated from state tuition**
38 **support distributions received by the school corporation.**

39 SECTION 443. IC 20-26-11-9, AS AMENDED BY P.L.145-2006,
40 SECTION 149, IS AMENDED TO READ AS FOLLOWS
41 [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) This section applies to
42 each student:

- 1 (1) described in section 8(a) of this chapter;
 2 (2) who is placed in a home or facility in Indiana that is outside
 3 the school corporation where the student has legal settlement; and
 4 (3) for which the state is not obligated to pay transfer tuition.

5 (b) Not later than ten (10) days after the department of child
 6 services ~~or a county office of family and children~~ places or changes the
 7 placement of a student, the department of child services ~~or the county~~
 8 ~~office of family and children~~ that placed the student shall notify the
 9 school corporation where the student has legal settlement and the
 10 school corporation where the student will attend school of the
 11 placement or change of placement. Before June 30 of each year, a
 12 county that places a student in a home or facility shall notify the school
 13 corporation where a student has legal settlement and the school
 14 corporation in which a student will attend school if a student's
 15 placement will continue for the ensuing school year. The notifications
 16 required under this subsection must be made by:

- 17 (1) ~~the county office (as defined in IC 12-7-2-45) if the county~~
 18 ~~office~~ or the department of child services placed or consented to
 19 the placement of the student; or
 20 (2) if subdivision (1) does not apply, the court or other agency
 21 making the placement.

22 SECTION 444. IC 20-26-11-12, AS AMENDED BY P.L.145-2006,
 23 SECTION 150, IS AMENDED TO READ AS FOLLOWS
 24 [EFFECTIVE JANUARY 1, 2009]: Sec. 12. (a) If a student is
 25 transferred under section 5 of this chapter from a school corporation in
 26 Indiana to a public school corporation in another state, the transferor
 27 corporation shall pay the transferee corporation the full tuition fee
 28 charged by the transferee corporation. However, the amount of the full
 29 tuition fee may not exceed the amount charged by the transferor
 30 corporation for the same class of school, or if the school does not have
 31 the same classification, the amount may not exceed the amount charged
 32 by the geographically nearest school corporation in Indiana that has the
 33 same classification.

- 34 (b) If a child is:
 35 (1) placed by ~~a court order or with the consent of the~~
 36 **department of child services** in an out-of-state institution or
 37 other facility; and
 38 (2) provided all educational programs and services by a public
 39 school corporation in the state where the child is placed, whether
 40 at the facility, the public school, or another location;
 41 ~~the county office of family and children for the county placing the child~~
 42 **department of child services** shall pay ~~from the county family and~~

1 ~~children's fund~~ to the public school corporation in which the child is
2 enrolled, the amount of transfer tuition specified in subsection (c).

3 (c) The transfer tuition for which ~~a county office~~ **the department**
4 **of child services** is obligated under subsection (b) is equal to the
5 following:

6 (1) The amount under a written agreement among the ~~county~~
7 ~~office,~~ **department of child services**, the institution or other
8 facility, and the governing body of the public school corporation
9 in the other state that specifies the amount and method of
10 computing transfer tuition.

11 (2) The full tuition fee charged by the transferee corporation, if
12 subdivision (1) does not apply. However, the amount of the full
13 tuition fee must not exceed the amount charged by the transferor
14 corporation for the same class of school, or if the school does not
15 have the same classification, the amount must not exceed the
16 amount charged by the geographically nearest school corporation
17 in Indiana that has the same classification.

18 (d) If a child is:

19 (1) placed by ~~a court order~~ **or with the consent of the**
20 **department of child services** in an out-of-state institution or
21 other facility; and

22 (2) provided:

23 (A) onsite educational programs and services either through
24 the facility's employees or by contract with another person or
25 organization that is not a public school corporation; or

26 (B) educational programs and services by a nonpublic school;
27 ~~the county office of family and children for the county placing the child~~
28 **department of child services** shall pay ~~from the county family and~~
29 ~~children's fund~~; in an amount and in the manner specified in a written
30 agreement between the ~~county office~~ **department of child services** and
31 the institution or other facility.

32 (e) ~~An agreement described in subsection (c) or (d) is subject to the~~
33 ~~approval of the director of the department of child services. However,~~
34 ~~For purposes of IC 4-13-2, the an agreement~~ **described in subsection**
35 **(c) or (d)** shall not be treated as a contract.

36 SECTION 445. IC 20-26-11-13, AS AMENDED BY P.L.234-2007,
37 SECTION 105, IS AMENDED TO READ AS FOLLOWS
38 [EFFECTIVE JANUARY 1, 2009]: Sec. 13. (a) As used in this section,
39 the following terms have the following meanings:

40 (1) "Class of school" refers to a classification of each school or
41 program in the transferee corporation by the grades or special
42 programs taught at the school. Generally, these classifications are

1 denominated as kindergarten, elementary school, middle school
2 or junior high school, high school, and special schools or classes,
3 such as schools or classes for special education, career and
4 technical education, or career education.

5 (2) "Special equipment" means equipment that during a school
6 year:

7 (A) is used only when a child with disabilities is attending
8 school;

9 (B) is not used to transport a child to or from a place where the
10 child is attending school;

11 (C) is necessary for the education of each child with
12 disabilities that uses the equipment, as determined under the
13 individualized education program for the child; and

14 (D) is not used for or by any child who is not a child with
15 disabilities.

16 (3) "Student enrollment" means the following:

17 (A) The total number of students in kindergarten through
18 grade 12 who are enrolled in a transferee school corporation
19 on a date determined by the state board.

20 (B) The total number of students enrolled in a class of school
21 in a transferee school corporation on a date determined by the
22 state board.

23 However, a kindergarten student shall be counted under clauses
24 (A) and (B) as one-half (1/2) student. The state board may select
25 a different date for counts under this subdivision. However, the
26 same date shall be used for all school corporations making a count
27 for the same class of school.

28 (b) Each transferee corporation is entitled to receive for each school
29 year on account of each transferred student, except a student
30 transferred under section 6 of this chapter, transfer tuition from the
31 transferor corporation or the state as provided in this chapter. Transfer
32 tuition equals the amount determined under STEP THREE of the
33 following formula:

34 STEP ONE: Allocate to each transfer student the capital
35 expenditures for any special equipment used by the transfer
36 student and a proportionate share of the operating costs incurred
37 by the transferee school for the class of school where the transfer
38 student is enrolled.

39 STEP TWO: If the transferee school included the transfer student
40 in the transferee school's ADM for a school year, allocate to the
41 transfer student a proportionate share of the following general
42 fund revenues of the transferee school for, except as provided in

1 clause (C), the calendar year in which the school year ends:

2 (A) State tuition support distributions.

3 (B) Property tax levies **under IC 20-45-7 and IC 20-45-8.**

4 (C) Excise tax revenue (as defined in IC 20-43-1-12) received
5 for deposit in the calendar year in which the school year
6 begins.

7 (D) Allocations to the transferee school under IC 6-3.5.

8 STEP THREE: Determine the greater of:

9 (A) zero (0); or

10 (B) the result of subtracting the STEP TWO amount from the
11 STEP ONE amount.

12 If a child is placed in an institution or facility in Indiana ~~under a court~~
13 ~~order, by or with the approval of the department of child services,~~
14 the institution or facility shall charge the ~~county office of the county of~~
15 ~~the student's legal settlement under IC 12-19-7~~ **department of child**
16 **services** for the use of the space within the institution or facility
17 (commonly called capital costs) that is used to provide educational
18 services to the child based upon a prorated per student cost.

19 (c) Operating costs shall be determined for each class of school
20 where a transfer student is enrolled. The operating cost for each class
21 of school is based on the total expenditures of the transferee
22 corporation for the class of school from its general fund expenditures
23 as specified in the classified budget forms prescribed by the state board
24 of accounts. This calculation excludes:

25 (1) capital outlay;

26 (2) debt service;

27 (3) costs of transportation;

28 (4) salaries of board members;

29 (5) contracted service for legal expenses; and

30 (6) any expenditure that is made ~~out of the general fund~~ from
31 extracurricular account receipts;

32 for the school year.

33 (d) The capital cost of special equipment for a school year is equal
34 to:

35 (1) the cost of the special equipment; divided by

36 (2) the product of:

37 (A) the useful life of the special equipment, as determined
38 under the rules adopted by the state board; multiplied by

39 (B) the number of students using the special equipment during
40 at least part of the school year.

41 (e) When an item of expense or cost described in subsection (c)
42 cannot be allocated to a class of school, it shall be prorated to all

1 classes of schools on the basis of the student enrollment of each class
 2 in the transferee corporation compared with the total student
 3 enrollment in the school corporation.

4 (f) Operating costs shall be allocated to a transfer student for each
 5 school year by dividing:

- 6 (1) the transferee school corporation's operating costs for the class
 7 of school in which the transfer student is enrolled; by
- 8 (2) the student enrollment of the class of school in which the
 9 transfer student is enrolled.

10 When a transferred student is enrolled in a transferee corporation for
 11 less than the full school year of student attendance, the transfer tuition
 12 shall be calculated by the part of the school year for which the
 13 transferred student is enrolled. A school year of student attendance
 14 consists of the number of days school is in session for student
 15 attendance. A student, regardless of the student's attendance, is enrolled
 16 in a transferee school unless the student is no longer entitled to be
 17 transferred because of a change of residence, the student has been
 18 excluded or expelled from school for the balance of the school year or
 19 for an indefinite period, or the student has been confirmed to have
 20 withdrawn from school. The transferor and the transferee corporation
 21 may enter into written agreements concerning the amount of transfer
 22 tuition due in any school year. If an agreement cannot be reached, the
 23 amount shall be determined by the state board, and costs may be
 24 established, when in dispute, by the state board of accounts.

25 (g) A transferee school shall allocate revenues described in
 26 subsection (b) STEP TWO to a transfer student by dividing:

- 27 (1) the total amount of revenues received; by
- 28 (2) the ADM of the transferee school for the school year that ends
 29 in the calendar year in which the revenues are received.

30 However, for state tuition support distributions or any other state
 31 distribution computed using less than the total ADM of the transferee
 32 school, the transferee school shall allocate the revenues to the transfer
 33 student by dividing the revenues that the transferee school is eligible
 34 to receive in a calendar year by the student count used to compute the
 35 state distribution.

36 (h) Instead of the payments provided in subsection (b), the
 37 transferor corporation or state owing transfer tuition may enter into a
 38 long term contract with the transferee corporation governing the
 39 transfer of students. The contract may:

- 40 (1) be entered into for a period of not more than five (5) years
 41 with an option to renew;
- 42 (2) specify a maximum number of students to be transferred; and

1 (3) fix a method for determining the amount of transfer tuition
 2 and the time of payment, which may be different from that
 3 provided in section 14 of this chapter.

4 (i) A school corporation may negotiate transfer tuition agreements
 5 with a neighboring school corporation that can accommodate additional
 6 students. Agreements under this section may:

- 7 (1) be for one (1) year or longer; and
- 8 (2) fix a method for determining the amount of transfer tuition or
 9 time of payment that is different from the method, amount, or
 10 time of payment that is provided in this section or section 14 of
 11 this chapter.

12 A school corporation may not transfer a student under this section
 13 without the prior approval of the child's parent.

14 ~~(j) If a school corporation experiences a net financial impact with
 15 regard to transfer tuition that is negative for a particular school year as
 16 described in IC 20-45-6-8, the school corporation may appeal for an
 17 excessive levy as provided under IC 20-45-6-8.~~

18 SECTION 446. IC 20-26-11-17, AS ADDED BY P.L.1-2005,
 19 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JANUARY 1, 2009]: Sec. 17. (a) Each year before the date specified
 21 in the rules adopted by the state board, a school corporation shall report
 22 the information specified in subsection (b) for each student:

- 23 (1) for whom tuition support is paid by another school
 24 corporation;
- 25 (2) for whom tuition support is paid by the state; and
- 26 (3) who is enrolled in the school corporation but has the
 27 equivalent of a legal settlement in another state or country;

28 ~~to the county office (as defined in IC 12-7-2-45) for the county in
 29 which the principal office of the school corporation is located and to
 30 the department.~~

31 (b) Each school corporation shall provide the following information
 32 for each school year for each category of student described in
 33 subsection (a):

- 34 (1) The amount of tuition support and other support received for
 35 the students described in subsection (a).
- 36 (2) The operating expenses, as determined under section 13 of
 37 this chapter, incurred for the students described in subsection (a).
- 38 (3) Special equipment expenditures that are directly related to
 39 educating students described in subsection (a).
- 40 (4) The number of transfer students described in subsection (a).
- 41 (5) Any other information required under the rules adopted by the
 42 state board after consultation with the office of the secretary of

1 family and social services.

2 (c) The information required under this section shall be reported in
3 the format and on the forms specified by the state board.

4 (d) Not later than November 30 of each year the department shall
5 compile the information required from school corporations under this
6 section and submit the compiled information in the form specified by
7 the office of the secretary of family and social services to the office of
8 the secretary of family and social services.

9 ~~(e) Not later than November 30 of each year each county office shall~~
10 ~~submit the following information to the office of the secretary of family~~
11 ~~and social services for each child who is described in IC 12-19-7-1(1)~~
12 ~~and is placed in another state or is a student in a school outside the~~
13 ~~school corporation where the child has legal settlement:~~

14 ~~(1) The name of the child:~~

15 ~~(2) The name of the school corporation where the child has legal~~
16 ~~settlement:~~

17 ~~(3) The last known address of the custodial parent or guardian of~~
18 ~~the child:~~

19 ~~(4) Any other information required by the office of the secretary~~
20 ~~of family and social services:~~

21 ~~(f) (e)~~ Not later than December 31 of each year, the office of the
22 secretary of family and social services shall submit a report to the
23 members of the budget committee and the executive director of the
24 legislative services agency that compiles and analyzes the information
25 required from school corporations under this section. The report must
26 identify the types of state and local funding changes that are needed to
27 provide adequate state and local money to educate transfer students. A
28 report submitted under this subsection to the executive director of the
29 legislative services agency must be in an electronic format under
30 IC 5-14-6.

31 SECTION 447. IC 20-26-11-23, AS AMENDED BY P.L.2-2006,
32 SECTION 132, IS AMENDED TO READ AS FOLLOWS
33 [EFFECTIVE JANUARY 1, 2009]: Sec. 23. (a) If a transfer is ordered
34 to commence in a school year, where the transferor corporation has net
35 additional costs over savings (on account of any transfer ordered)
36 allocable to the calendar year in which the school year begins, and
37 where the transferee corporation does not have budgeted funds for the
38 net additional costs, the net additional costs may be recovered by one
39 (1) or more of the following methods in addition to any other methods
40 provided by applicable law:

41 (1) An emergency loan made under IC 20-48-1-7 to be paid, out
42 of the debt service levy and fund, or a loan from any state fund

1 made available for the net additional costs.

2 (2) An advance in the calendar year of state funds, which would
3 otherwise become payable to the transferee corporation after such
4 calendar year under law.

5 (3) A grant or grants in the calendar year from any funds of the
6 state made available for the net additional costs.

7 (b) The net additional costs must be certified by the department of
8 local government finance, and any grant shall be made solely after
9 affirmative recommendation of the school property tax control board.
10 Repayment of any advance or loan from the state shall be made in
11 accordance with ~~IC 20-45-6-3~~. **The use of any of the methods in this**
12 **section does not subject the transferor corporation to IC 20-45-6-5 or**
13 **IC 20-45-6-6. from state tuition support distributions or other**
14 **money available to the school corporation.**

15 SECTION 448. IC 20-31-11-6, AS AMENDED BY P.L.2-2006,
16 SECTION 149, IS AMENDED TO READ AS FOLLOWS
17 [EFFECTIVE JANUARY 1, 2009]: Sec. 6. (a) A public school that
18 receives a monetary award under this chapter may expend that award
19 for any educational purpose for that school, except:

- 20 (1) athletics;
21 (2) salaries for school personnel; or
22 (3) salary bonuses for school personnel.

23 (b) A monetary award may not be used to determine
24 ~~(1) the maximum permissible tuition support levy under~~
25 ~~IC 20-45-3; or~~
26 ~~(2) the state tuition support under IC 20-43~~

27 of the school corporation in which the school receiving the monetary
28 award is located.

29 SECTION 449. IC 20-33-2-29, AS ADDED BY P.L.1-2005,
30 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JANUARY 1, 2009]: Sec. 29. (a) It is unlawful for a person operating
32 or responsible for:

- 33 (1) an educational;
34 (2) a correctional;
35 (3) a charitable; or
36 (4) a benevolent institution or training school;

37 to fail to ensure that a child under the person's authority attends school
38 as required under this chapter. Each day of violation of this section
39 constitutes a separate offense.

40 (b) If a child is placed in an institution or facility ~~under a court~~
41 **order, by or with the approval of the department of child services,**
42 **the institution or facility shall charge the county office of family and**

1 ~~children of the county of the child's legal settlement under IC 12-19-7~~
 2 **department of child services** for the use of the space within the
 3 institution or facility (commonly called capital costs) that is used to
 4 provide educational services to the child based upon a prorated per
 5 child cost.

6 SECTION 450. IC 20-40-4-4, AS ADDED BY P.L.2-2006,
 7 SECTION 163, IS AMENDED TO READ AS FOLLOWS
 8 [EFFECTIVE JANUARY 1, 2009]: Sec. 4. **(a)** The fund consists of the
 9 following:

10 ~~(1) The levy;~~

11 ~~(2)~~ distributions to the school corporation from the state under
 12 IC 20-20-34.

13 **(b) A school corporation may not impose a special education**
 14 **preschool property tax levy after December 31, 2009.**

15 SECTION 451. IC 20-40-7-7, AS ADDED BY P.L.2-2006,
 16 SECTION 163, IS AMENDED TO READ AS FOLLOWS
 17 [EFFECTIVE JANUARY 1, 2009]: Sec. 7. (a) Before the last Thursday
 18 in August in the year preceding the first school year in which a
 19 proposed contract commences, the governing body of a school
 20 corporation may elect to designate a part of a:

21 (1) transportation contract (as defined in IC 20-27-2-12);

22 (2) fleet contract (as defined in IC 20-27-2-5); or

23 (3) common carrier contract (as defined in IC 20-27-2-3);

24 as an expenditure payable from the fund.

25 (b) An election under this section must be made in a transportation
 26 plan approved by the department of local government finance **(before**
 27 **January 1, 2009) or the fiscal body of the county in which the**
 28 **school corporation has the largest part of its net assessed value**
 29 **(after December 31, 2008) under this chapter.** The election applies
 30 throughout the term of the contract.

31 (c) The amount that may be paid from the fund in a school year is
 32 equal to the fair market lease value in the school year of each school
 33 bus, school bus chassis, or school bus body used under the contract, as
 34 substantiated by invoices, depreciation schedules, and other
 35 documented information available to the school corporation.

36 (d) The allocation of costs under this section to the fund must
 37 comply with the allocation guidelines adopted by the department of
 38 local government finance and the accounting standards prescribed by
 39 the state board of accounts.

40 SECTION 452. IC 20-40-7-8, AS ADDED BY P.L.2-2006,
 41 SECTION 163, IS AMENDED TO READ AS FOLLOWS
 42 [EFFECTIVE JANUARY 1, 2009]: Sec. 8. The ~~department of local~~

1 **government finance county fiscal body** may approve appropriations
2 from the fund only if the appropriations conform to a plan.

3 SECTION 453. IC 20-40-8-1, AS ADDED BY P.L.2-2006,
4 SECTION 163, IS AMENDED TO READ AS FOLLOWS
5 [EFFECTIVE JANUARY 1, 2009]: Sec. 1. As used in this chapter,
6 "calendar year distribution" means the sum of the following:

- 7 (1) A school corporation's:
8 (A) state tuition support; and
9 (B) maximum permissible tuition support levy (as defined in
10 IC 20-45-1-15 **before its repeal**);
11 for the calendar year.
12 (2) The school corporation's excise tax revenue (as defined in
13 IC 20-43-1-12) for the immediately preceding calendar year.

14 SECTION 454. IC 20-40-8-8, AS ADDED BY P.L.2-2006,
15 SECTION 163, IS AMENDED TO READ AS FOLLOWS
16 [EFFECTIVE JANUARY 1, 2009]: Sec. 8. Notwithstanding
17 IC 6-1.1-17, the ~~department of local government finance~~ **fiscal body**
18 **of the county in which the school corporation has the largest part**
19 **of its net assessed value** may approve appropriations from the fund
20 only if the appropriations conform to a plan.

21 SECTION 455. IC 20-40-8-21 IS ADDED TO THE INDIANA
22 CODE AS A **NEW SECTION** TO READ AS FOLLOWS
23 [EFFECTIVE JANUARY 1, 2009]: **Sec. 21. Money in the fund may**
24 **be transferred to another fund to replace property tax revenues**
25 **lost to the fund as a result of the granting of circuit breaker credits**
26 **under IC 6-1.1-20.6. A school corporation shall make a transfer of**
27 **money under this section if the fund experiencing a shortfall is a**
28 **debt service fund and money is not transferred from any other**
29 **fund to cover the shortfall. The amount transferred must be equal**
30 **to the amount of the shortfall that is not replaced from other funds.**

31 SECTION 456. IC 20-40-11-3, AS ADDED BY P.L.2-2006,
32 SECTION 163, IS AMENDED TO READ AS FOLLOWS
33 [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) The procedure for
34 establishing a fund is the same as the procedure to be used in making
35 an additional appropriation under IC 6-1.1-18-5.

36 (b) The resolution of the governing body ~~must be in the form~~
37 ~~prescribed by the department of local government finance~~ and must
38 contain at least the following:

- 39 (1) The annual amount permitted to be expended from the fund
40 each year.
41 (2) The duration of the fund, which may not exceed five (5) years.
42 (3) That the sources for the fund for each year must be from either

1 the general fund or the capital projects fund, or both.

2 SECTION 457. IC 20-40-11-11, AS ADDED BY P.L.2-2006,
3 SECTION 163, IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE JANUARY 1, 2009]: Sec. 11. (a) The fund may be
5 reduced or rescinded before its expiration by resolution of the
6 governing body of the school corporation.

7 (b) Not later than August 1 of any year, ten (10) or more taxpayers
8 in a taxing district in which the school corporation is located may file
9 with the county auditor of the county in which the taxing district is
10 located a petition for reduction or rescission of the fund. The petition
11 must set forth the taxpayers' objections to the fund. The petition shall
12 be certified to the ~~department of local government finance~~; **fiscal body**
13 **of the county in which the school corporation has the largest part**
14 **of its net assessed value.**

15 (c) Upon receipt of a petition under subsection (b), the ~~department~~
16 ~~of local government finance~~ **county fiscal body** shall, within a
17 reasonable time, fix a date for a hearing on the petition. The hearing
18 must be held in the county in which the taxing district is located.
19 Notice of the hearing shall be given to the executive officer of the
20 school corporation and to the first ten (10) taxpayers whose names
21 appear on the petition. The notice must be ~~in the form of a letter signed~~
22 ~~by the commissioner or deputy commissioner of the department of~~
23 ~~local government finance~~; sent by mail with full prepaid postage to the
24 executive officer and the taxpayers at their usual places of residence at
25 least five (5) days before the date fixed for the hearing.

26 (d) After the hearing under subsection (c), the ~~department of local~~
27 ~~government finance~~ **county fiscal body** shall approve, disapprove, or
28 modify the request for reduction or rescission of the fund and shall
29 certify that decision to the county auditor of the county in which the
30 taxing district is located.

31 (e) If the fund is rescinded under this section, any balance remaining
32 shall be transferred to the school corporation's capital projects fund.

33 SECTION 458. IC 20-40-12-6, AS ADDED BY P.L.2-2006,
34 SECTION 163, IS AMENDED TO READ AS FOLLOWS
35 [EFFECTIVE JANUARY 1, 2009]: Sec. 6. Subject to the approval of
36 the commissioner of insurance, the governing body of the school
37 corporation may:

- 38 (1) transfer to the fund an amount of money in
39 ~~(A) the general fund budget; and~~
40 ~~(B) the general fund tax levy and rate;~~
41 (2) transfer money from the general fund to the fund;
42 (3) appropriate money from the general fund for the fund; or

1 (4) transfer money from the capital projects fund to the fund, to
 2 the extent that money in the capital projects fund may be used for
 3 property or casualty insurance.

4 SECTION 459. IC 20-43-1-17, AS ADDED BY P.L.2-2006,
 5 SECTION 166, IS AMENDED TO READ AS FOLLOWS
 6 [EFFECTIVE JANUARY 1, 2009]: Sec. 17. "Maximum permissible
 7 tuition support levy" ~~has refers to the meaning set forth in~~
 8 ~~IC 20-45-1-15.~~ **maximum permissible tuition support levy that a**
 9 **school corporation was permitted to impose under IC 20-45-3-11**
 10 **(before its repeal).**

11 SECTION 460. IC 20-43-2-1, AS ADDED BY P.L.2-2006,
 12 SECTION 166, IS AMENDED TO READ AS FOLLOWS
 13 [EFFECTIVE JANUARY 1, 2009]: Sec. 1. The department shall
 14 distribute the amount appropriated by the general assembly for
 15 distribution as state tuition support in accordance with this article. If
 16 the appropriations for distribution as state tuition support are more than
 17 required under this article, ~~one-half (1/2) of any excess shall revert to~~
 18 ~~the state general fund. and one-half (1/2) of any excess shall revert to~~
 19 ~~the property tax replacement fund.~~ The appropriations for state tuition
 20 support shall be made each calendar year under a schedule set by the
 21 budget agency and approved by the governor. However, the schedule
 22 must provide:

- 23 (1) for at least twelve (12) payments;
 24 (2) that one (1) payment shall be made at least every forty (40)
 25 days; and
 26 (3) the total of the payments in each calendar year must equal the
 27 amount required under this article.

28 SECTION 461. IC 20-43-2-2, AS AMENDED BY P.L.234-2007,
 29 SECTION 235, IS AMENDED TO READ AS FOLLOWS
 30 [EFFECTIVE JULY 1, 2008]: Sec. 2. The maximum state distribution
 31 for a calendar year for all school corporations **for the purposes**
 32 **described in section 3 of this chapter** is:

- 33 (1) three billion eight hundred twelve million five hundred
 34 thousand dollars (\$3,812,500,000) in 2007;
 35 (2) three billion nine hundred sixty million nine hundred thousand
 36 dollars (\$3,960,900,000) in 2008; and
 37 (3) ~~four six billion one five hundred nineteen nine million six~~
 38 ~~hundred thousand dollars (\$4,119,600,000)~~ **(\$6,509,000,000)** in
 39 2009.

40 SECTION 462. IC 20-43-3-1, AS AMENDED BY P.L.234-2007,
 41 SECTION 237, IS AMENDED TO READ AS FOLLOWS
 42 [EFFECTIVE JANUARY 1, 2009]: Sec. 1. If a computation under this

1 article results in a fraction and a rounding rule is not specified, the
2 fraction shall be rounded as follows:

3 ~~(1) All tax rates shall be computed by rounding the rate to the~~
4 ~~nearest one-hundredth of a cent (\$0.0001):~~

5 ~~(2) (1) All calculations related to the complexity index shall be~~
6 ~~computed by rounding to the nearest ten thousandth (0.0001).~~

7 ~~(3) (2) All tax levies and tuition support distributions shall be~~
8 ~~computed by rounding the levy or tuition support distribution to~~
9 ~~the nearest dollar (\$1) amount.~~

10 ~~(4) (3) The fraction calculated in IC 20-43-2-4 shall be computed~~
11 ~~by rounding to the nearest one millionth (0.000001).~~

12 ~~(5) (4) If a calculation is not covered by subdivision (1), (2), or~~
13 ~~(3), or (4); the result of the calculation shall be rounded to the~~
14 ~~nearest one hundredth (0.01).~~

15 SECTION 463. IC 20-43-3-3, AS ADDED BY P.L.2-2006,
16 SECTION 166, IS AMENDED TO READ AS FOLLOWS
17 [EFFECTIVE JANUARY 1, 2009]: Sec. 3. Not later than January 15
18 each year, the department of local government finance shall certify to
19 the department the amount of each school corporation's excise tax
20 revenue for the immediately preceding year. ~~In 2006, the department~~
21 ~~of local government finance shall certify to the department the amount~~
22 ~~of each school corporation's excise tax revenue for both 2004 and 2005.~~
23 The department may rely on the excise tax revenue amounts certified
24 by the department of local government finance under this section in
25 making calculations under this article. **This section expires July 1,**
26 **2009.**

27 SECTION 464. IC 20-43-3-4, AS AMENDED BY P.L.234-2007,
28 SECTION 135, AND AS AMENDED BY P.L.234-2007, SECTION
29 238, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
30 [EFFECTIVE JANUARY 1, 2009]: Sec. 4. (a) A school corporation's
31 previous year revenue equals the amount determined under STEP TWO
32 of the following formula:

33 STEP ONE: Determine the sum of the following:

34 (A) The school corporation's basic tuition support for the year
35 that precedes the current year.

36 (B) The school corporation's maximum permissible tuition
37 support levy for the calendar year that precedes the current
38 year, made in determining the school corporation's adjusted
39 tuition support levy for the calendar year 2008.

40 (C) The school corporation's excise tax revenue for the year
41 that precedes the current year by two (2) years: **calendar year**
42 **2007.**

1 STEP TWO: Subtract from the STEP ONE result an amount equal
2 to the *sum of the following*:

3 *(A) The* reduction in the school corporation's state tuition
4 support under any combination of subsection (b), subsection
5 (c), IC 20-10.1-2-1 (before its repeal), or IC 20-30-2-4.

6 *(B) In 2006, the amount of the school corporation's maximum*
7 *permissible tuition support levy attributable to the levy*
8 *transferred from the school corporation's general fund to the*
9 *school corporation's referendum tax levy fund under*
10 *IC 20-46-1-6.*

11 (b) A school corporation's previous year revenue must be reduced
12 if:

13 (1) the school corporation's state tuition support for special
14 *education* or *vocational career and technical* education is
15 reduced as a result of a complaint being filed with the department
16 after December 31, 1988, because the school program overstated
17 the number of children enrolled in special *education programs* or
18 *vocational career and technical* education programs; and

19 (2) the school corporation's previous year revenue has not been
20 reduced under this subsection more than one (1) time because of
21 a given overstatement.

22 The amount of the reduction equals the amount the school corporation
23 would have received in state tuition support for special *education* and
24 *vocational career and technical* education because of the
25 overstatement.

26 (c) **This section applies only to 2009.** A school corporation's
27 previous year revenue must be reduced if an existing elementary or
28 secondary school located in the school corporation converts to a charter
29 school under ~~IC 20-5.5-11 before July 1, 2005~~, or IC 20-24-11. ~~after~~
30 ~~June 30, 2005~~. The amount of the reduction equals the product of:

31 (1) the sum of the amounts distributed to the conversion charter
32 school under ~~IC 20-5.5-7-3.5(c) and IC 20-5.5-7-3.5(d) before~~
33 ~~July 1, 2005~~, and IC 20-24-7-3(c) and IC 20-24-7-3(d) ~~after June~~
34 ~~30, 2005~~; **(as effective December 31, 2008)**; multiplied by

35 (2) two (2).

36 SECTION 465. IC 20-43-3-6, AS ADDED BY P.L.2-2006,
37 SECTION 166, IS AMENDED TO READ AS FOLLOWS
38 [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) For purposes of this
39 section, "school corporation" does not include a charter school.

40 (b) Adjusted assessed valuation of any school corporation that is
41 used in computing a school corporation's state tuition support for a
42 calendar year must be the assessed valuation in the school corporation,

1 adjusted as provided in IC 6-1.1-34.

2 (c) The amount of the valuation described in subsection (b) must
 3 also be adjusted downward by the department of local government
 4 finance to the extent it consists of real or personal property owned by
 5 a railroad or other corporation under the jurisdiction of a federal court
 6 under the federal bankruptcy laws (11 U.S.C. 101 et seq.) if as a result
 7 of the corporation being involved in a bankruptcy proceeding the
 8 corporation is delinquent in payment of its Indiana real and personal
 9 property taxes for the year to which the valuation applies. If the railroad
 10 or other corporation in some subsequent calendar year makes payment
 11 of the delinquent taxes, the state superintendent shall prescribe
 12 adjustments in the distributions of state tuition support that
 13 subsequently become due to a school corporation affected by the
 14 delinquency. The adjustment must ensure that the school corporation
 15 will not have been unjustly enriched under P.L.382-1987(ss).

16 (d) The amount of the valuation described in subsection (b) must
 17 also be adjusted downward by the department of local government
 18 finance to the extent it consists of real or personal property described
 19 in ~~IC 6-1.1-17-0.5(b)~~: **IC 6-1.1-17-0.5**.

20 SECTION 466. IC 20-43-4-1, AS AMENDED BY P.L.159-2007,
 21 SECTION 4, AND AS AMENDED BY P.L.234-2007, SECTION 136,
 22 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 23 [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) An individual is an eligible
 24 pupil if the individual is a pupil enrolled in a school corporation and:

25 (1) the school corporation has the responsibility to educate the
 26 pupil in its public schools without the payment of tuition;
 27 (2) subject to subdivision (5), the school corporation has the
 28 responsibility to pay transfer tuition under IC 20-26-11 because
 29 the pupil is:

30 (A) transferred for education to another school corporation; or
 31 (B) **placed in an out-of-state institution or facility by or**
 32 **with the consent of the department of child services;**

33 (3) the pupil is enrolled in a school corporation as a transfer
 34 student under IC 20-26-11-6 or entitled to be counted for ADM
 35 purposes as a resident of the school corporation when attending
 36 its schools under any other applicable law or regulation;

37 (4) the state is responsible for the payment of transfer tuition to
 38 the school corporation for the pupil under IC 20-26-11; or

39 (5) all of the following apply:

40 (A) The school corporation is a transferee corporation.

41 (B) The pupil does not qualify as a qualified pupil in the
 42 transferee corporation under subdivision (3) or (4).

- 1 (C) The transferee corporation's attendance area includes a
 2 state licensed private or public health care facility *or* child
 3 care facility *or foster family home* where the pupil was placed:
 4 (i) by or with the consent of the department of child
 5 services;
 6 (ii) by a court order;
 7 (iii) by a child placing agency licensed by the *division of*
 8 *family resources, or department of child services*;
 9 (iv) by a parent or guardian under IC 20-26-11-8; *or*
 10 (v) *by or with the consent of the department under*
 11 *IC 20-35-6-2.*

12 (b) For purposes of a *vocational career and technical* education
 13 grant, an eligible pupil includes a student enrolled in a charter school.

14 SECTION 467. IC 20-43-6-3, AS AMENDED BY P.L.234-2007,
 15 SECTION 249, IS AMENDED TO READ AS FOLLOWS
 16 [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) A school corporation's
 17 total regular program tuition support for a calendar year is the amount
 18 determined under the applicable provision of this section.

19 (b) This subsection applies to a school corporation that has
 20 transition to foundation revenue per adjusted ADM for a calendar year
 21 that is not equal to the school corporation's foundation amount for the
 22 calendar year. The school corporation's total regular program tuition
 23 support for a calendar year is equal to the school corporation's
 24 transition to foundation revenue for the calendar year.

25 (c) This subsection applies to a school corporation that has
 26 transition to foundation revenue per adjusted ADM for a calendar year
 27 that is equal to the school corporation's foundation amount for the
 28 calendar year. The school corporation's total regular program tuition
 29 support for a calendar year is the sum of the following:

30 (1) The school corporation's foundation amount for the calendar
 31 year multiplied by the school corporation's adjusted ADM for the
 32 current year.

33 (2) The amount of the annual decrease in federal aid to impacted
 34 areas from the year preceding the ensuing calendar year by three

35 (3) years to the year preceding the ensuing calendar year by two
 36 (2) years.

37 ~~(3) The part of the school corporation's maximum permissible~~
 38 ~~tuition support levy for the year that equals the original amount of~~
 39 ~~the levy imposed by the school corporation to cover the costs of~~
 40 ~~opening a new school facility or reopening an existing facility~~
 41 ~~during the preceding year.~~

42 SECTION 468. IC 20-43-6-5, AS ADDED BY P.L.2-2006,

1 SECTION 166, IS AMENDED TO READ AS FOLLOWS
 2 [EFFECTIVE JANUARY 1, 2009]: Sec. 5. A school corporation's
 3 basic tuition support for a calendar year is ~~the difference between:~~

4 ~~(1) equal to the school corporation's total regular program tuition~~
 5 ~~support for the calendar year. minus~~

6 ~~(2) the school corporation's local contribution for the calendar~~
 7 ~~year.~~

8 SECTION 469. IC 20-44-3-3, AS ADDED BY P.L.2-2006,
 9 SECTION 167, IS AMENDED TO READ AS FOLLOWS
 10 [EFFECTIVE JANUARY 1, 2009]: Sec. 3. ~~(a)~~ A school corporation's
 11 levy excess is valid.

12 ~~(b) The general fund portion of a school corporation's levy excess~~
 13 ~~may not be contested on the grounds that it exceeds the school~~
 14 ~~corporation's maximum permissible tuition support levy limit for the~~
 15 ~~applicable calendar year.~~

16 SECTION 470. IC 20-45-7-20, AS AMENDED BY P.L.224-2007,
 17 SECTION 114, IS AMENDED TO READ AS FOLLOWS
 18 [EFFECTIVE UPON PASSAGE]: Sec. 20. (a) The county auditor shall
 19 compute the amount of the tax to be levied each year. Before August
 20 2, the county auditor shall certify the amount to the county council.

21 (b) The tax rate shall be advertised and fixed by the county council
 22 in the same manner as other property tax rates. The tax rate shall be
 23 subject to all applicable law relating to review by the county board of
 24 tax adjustment ~~(before January 1, 2009)~~ or the county board of tax and
 25 capital projects review ~~(after December 31, 2008)~~ and the department
 26 of local government finance.

27 (c) The department of local government finance shall certify the tax
 28 rate at the time it certifies the other county tax rates.

29 (d) The department of local government finance shall raise or lower
 30 the tax rate to the tax rate provided in this chapter, regardless of
 31 whether the certified tax rate is below or above the tax rate advertised
 32 by the county.

33 SECTION 471. IC 20-45-8-20, AS AMENDED BY P.L.224-2007,
 34 SECTION 115, IS AMENDED TO READ AS FOLLOWS
 35 [EFFECTIVE JULY 1, 2008]: Sec. 20. The tax levy is subject to all
 36 laws concerning review by the county board of tax adjustment ~~(before~~
 37 ~~January 1, 2009)~~ or the county board of tax and capital projects review
 38 ~~(after December 31, 2008)~~ and the department of local government
 39 finance.

40 SECTION 472. IC 20-46-1-7, AS ADDED BY P.L.2-2006,
 41 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 42 [EFFECTIVE JANUARY 1, 2009]: Sec. 7. (a) This section applies to

1 a school corporation that added an amount to the school corporation's
 2 base tax levy before 2002 as the result of the approval of an excessive
 3 tax levy by the majority of individuals voting in a referendum held in
 4 the area served by the school corporation under IC 6-1.1-19-4.5 (before
 5 its repeal).

6 (b) A school corporation may adopt a resolution before September
 7 21, 2005, to transfer the power of the school corporation to levy the
 8 amount described in subsection (a) from the school corporation's
 9 general fund to the school corporation's fund. A school corporation that
 10 adopts a resolution under this section shall, as soon as practicable after
 11 adopting the resolution, send a certified copy of the resolution to the
 12 department of local government finance and the county auditor. A
 13 school corporation that adopts a resolution under this section may, for
 14 property taxes first due and payable after 2005, levy an additional
 15 amount for the fund that does not exceed the amount of the excessive
 16 tax levy added to the school corporation's base tax levy before 2002.

17 (c) The power of the school corporation to impose the levy
 18 transferred to the fund under this section expires December 31, 2012,
 19 unless:

- 20 (1) the school corporation adopts a resolution to reimpose or
 21 extend the levy; and
- 22 (2) the levy is approved, before January 1, 2013, by a majority of
 23 the individuals who vote in a referendum that is conducted in
 24 accordance with the requirements in this chapter.

25 As soon as practicable after adopting the resolution under subdivision
 26 (1), the school corporation shall send a certified copy of the resolution
 27 to the county auditor and the department of local government finance.
 28 Upon receipt of the certified resolution, the tax control board shall
 29 proceed in the same manner as the tax control board would for any
 30 other levy being reimposed or extended under this chapter. However,
 31 if requested by the school corporation in the resolution adopted under
 32 subdivision (1), the question of reimposing or extending a levy
 33 transferred to the fund under this section may be combined with a
 34 question presented to the voters to reimpose or extend a levy initially
 35 imposed after 2001. A levy reimposed or extended under this
 36 subsection shall be treated for all purposes as a levy reimposed or
 37 extended under IC 6-1.1-19-4.5(c) (before its repeal) and this chapter,
 38 after June 30, 2006.

39 (d) The school corporation's levy under this section may not be
 40 considered in the determination of the school corporation's state tuition
 41 support **distribution** under IC 20-43 or the determination of the school
 42 corporation's **maximum permissible tuition support levy** under

1 ~~IC 20-45-3: any other property tax levy imposed by the school~~
 2 ~~corporation.~~

3 SECTION 473. IC 20-46-1-8, AS ADDED BY P.L.2-2006,
 4 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 5 [EFFECTIVE JANUARY 1, 2009]: Sec. 8. (a) ~~This section applies to~~
 6 ~~a school corporation that includes a request for a levy under this~~
 7 ~~chapter in an emergency appeal under IC 6-1.1-19 and IC 20-45-6-2.~~

8 (b) ~~In addition to, or instead of, any recommendation that the tax~~
 9 ~~control board may make in an appeal, the tax control board may~~
 10 ~~recommend that the appellant school corporation be permitted to make~~
 11 ~~a levy for the ensuing calendar year under this chapter. A school~~
 12 ~~corporation may appeal to the county fiscal body to request a~~
 13 ~~referendum under this chapter. If a school corporation is located~~
 14 ~~in more than one (1) county, the school corporation must file the~~
 15 ~~appeal with the fiscal body of the county in which the school~~
 16 ~~corporation has the largest part of its net assessed value.~~

17 (b) **A county fiscal body shall expedite the review as necessary**
 18 **to permit the referendum to be conducted without a special**
 19 **election.**

20 (c) **If the county fiscal body concludes that the appellant school**
 21 **corporation cannot, in a calendar year, carry out the public**
 22 **educational duty committed to the appellant school corporation by**
 23 **law if the appellant school corporation does not receive emergency**
 24 **financial relief for the calendar year, the county fiscal body may**
 25 **permit the school corporation to conduct a referendum under this**
 26 **chapter and, if a levy is approved by the voters in the referendum,**
 27 **make a levy under this chapter.**

28 SECTION 474. IC 20-46-1-9, AS ADDED BY P.L.2-2006,
 29 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 30 [EFFECTIVE JULY 1, 2008]: Sec. 9. ~~A tax control board~~ **county fiscal**
 31 **body** recommendation under this chapter may be put into effect only
 32 if:

33 (1) a majority of the individuals who vote in a referendum that is
 34 conducted in accordance with this section and sections 10 through
 35 19 of this chapter approves the appellant school corporation's
 36 making a levy for the ensuing calendar year;

37 (2) the department of local government finance approves the
 38 recommendation in writing; and

39 (3) the appellant school corporation requests that the ~~tax control~~
 40 ~~board~~ **county fiscal body** take the steps necessary to cause a
 41 referendum to be conducted.

42 SECTION 475. IC 20-46-1-12, AS ADDED BY P.L.2-2006,

1 SECTION 169, IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2008]: Sec. 12. The ~~tax control board county~~
3 **fiscal body** shall act under IC 3-10-9-3 to certify the question to be
4 voted on at the referendum to the county election board of each county
5 in which any part of the appellant school corporation is located.

6 SECTION 476. IC 20-46-1-13, AS ADDED BY P.L.2-2006,
7 SECTION 169, IS AMENDED TO READ AS FOLLOWS
8 [EFFECTIVE JULY 1, 2008]: Sec. 13. Each county clerk shall, upon
9 receiving the question certified by the ~~tax control board county~~ **fiscal**
10 **body** under this chapter, call a meeting of the county election board to
11 make arrangements for the referendum.

12 SECTION 477. IC 20-46-1-14, AS ADDED BY P.L.2-2006,
13 SECTION 169, IS AMENDED TO READ AS FOLLOWS
14 [EFFECTIVE JULY 1, 2008]: Sec. 14. (a) The referendum shall be
15 held in the next primary or general election in which all the registered
16 voters who are residents of the appellant school corporation are entitled
17 to vote after certification of the question under IC 3-10-9-3. However,
18 if the referendum would be held at a primary or general election more
19 than six (6) months after certification by the ~~tax control board; county~~
20 **fiscal body**, the referendum shall be held at a special election to be
21 conducted not less than ninety (90) days after the question is certified
22 to the circuit court clerk or clerks by the ~~tax control board; county~~
23 **fiscal body**.

24 (b) The school corporation shall advise each affected county
25 election board of the date on which the school corporation desires that
26 the referendum be held, and, if practicable, the referendum shall be
27 held on the day specified by the school corporation.

28 (c) The referendum shall be held under the direction of the county
29 election board, which shall take all steps necessary to carry out the
30 referendum.

31 (d) If a primary election, general election, or special election is held
32 during the sixty (60) days preceding or following the special election
33 described in this section and is held in an election district that includes
34 some, but not all, of the school corporation, the county election board
35 may also adopt orders to specify when the registration period for the
36 elections cease and resume under IC 3-7-13-10.

37 (e) Not less than ten (10) days before the date on which the
38 referendum is to be held, the county election board shall cause notice
39 of the question that is to be voted upon at the referendum to be
40 published in accordance with IC 5-3-1.

41 (f) If the referendum is not conducted at a primary or general
42 election, the appellant school corporation in which the referendum is

1 to be held shall pay all the costs of holding the referendum.

2 SECTION 478. IC 20-46-1-15, AS ADDED BY P.L.2-2006,
3 SECTION 169, IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2008]: Sec. 15. Each county election board
5 shall cause:

6 (1) the question certified to the circuit court clerk by the ~~tax~~
7 ~~control board~~ **county fiscal body** to be placed on the ballot in the
8 form prescribed by IC 3-10-9-4; and

9 (2) an adequate supply of ballots and voting equipment to be
10 delivered to the precinct election board of each precinct in which
11 the referendum is to be held.

12 SECTION 479. IC 20-46-1-17, AS ADDED BY P.L.2-2006,
13 SECTION 169, IS AMENDED TO READ AS FOLLOWS
14 [EFFECTIVE JULY 1, 2008]: Sec. 17. Each precinct election board
15 shall count the affirmative votes and the negative votes cast in the
16 referendum and shall certify those two (2) totals to the county election
17 board of each county in which the referendum is held. The circuit court
18 clerk of each county shall, immediately after the votes cast in the
19 referendum have been counted, certify the results of the referendum to
20 the ~~tax control board:~~ **county fiscal body**. Upon receiving the
21 certification of all the votes cast in the referendum, the ~~tax control~~
22 ~~board~~ **county fiscal body** shall promptly certify the result of the
23 referendum to the department of local government finance. If a
24 majority of the individuals who voted in the referendum voted "yes" on
25 the referendum question:

26 (1) the ~~department of local government finance, upon being~~
27 ~~notified by the tax control board of the result of the referendum;~~
28 **county fiscal body** shall promptly notify the school corporation
29 that the school corporation is authorized to collect, for the
30 calendar year that next follows the calendar year in which the
31 referendum is held, a levy not greater than the amount approved
32 in the referendum;

33 (2) the levy may be imposed for the number of calendar years
34 approved by the voters following the referendum for the school
35 corporation in which the referendum is held; and

36 (3) the school corporation shall establish a fund under
37 IC 20-40-3-1.

38 SECTION 480. IC 20-46-1-18, AS ADDED BY P.L.2-2006,
39 SECTION 169, IS AMENDED TO READ AS FOLLOWS
40 [EFFECTIVE JANUARY 1, 2009]: Sec. 18. A school corporation's
41 levy may not be considered in the determination of the school
42 corporation's state tuition support **distribution** under IC 20-43 or the

1 determination of ~~the school corporation's maximum permissible tuition~~
 2 ~~support levy under IC 20-45-3.~~ **any other property tax levy imposed**
 3 **by the school corporation.**

4 SECTION 481. IC 20-46-1-19, AS ADDED BY P.L.2-2006,
 5 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 6 [EFFECTIVE JANUARY 1, 2009]: Sec. 19. If a majority of the
 7 persons who voted in the referendum did not vote "yes" on the
 8 referendum question:

9 (1) the school corporation may not make any levy for its ~~general~~
 10 **referendum tax levy** fund; ~~other than a levy permitted under~~
 11 ~~IC 20-45;~~ and

12 (2) another referendum under this section may not be held for one
 13 (1) year after the date of the referendum.

14 SECTION 482. IC 20-46-3-5, AS ADDED BY P.L.2-2006,
 15 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 16 [EFFECTIVE JANUARY 1, 2009]: Sec. 5. A school corporation may
 17 petition the ~~tax control board~~ **county fiscal body of the county in**
 18 **which the school corporation has the largest part of its net assessed**
 19 **value** to impose a property tax to raise revenue for the purposes of the
 20 fund. ~~However, before a school corporation may impose a property tax~~
 21 ~~under this chapter, the school corporation must file a petition with the~~
 22 ~~tax control board under IC 6-1.1-19.~~ The petition must be filed before
 23 June 1 of the year preceding the first year the school corporation
 24 desires to impose the property tax and must include the following:

25 (1) The name of the school corporation.

26 (2) A settlement agreement among the parties to a desegregation
 27 lawsuit that includes the program that will improve or maintain
 28 racial balance in the school corporation.

29 (3) The proposed levy.

30 (4) Any other item required by the ~~school property tax control~~
 31 ~~board.~~ **county fiscal body.**

32 SECTION 483. IC 20-46-3-6, AS ADDED BY P.L.2-2006,
 33 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 34 [EFFECTIVE JANUARY 1, 2009]: Sec. 6. Subject to
 35 IC 6-1.1-18.5-9.9, the ~~tax control board~~ **county fiscal body** may
 36 ~~recommend to the department of local government finance that allow~~
 37 ~~a school corporation be allowed~~ to establish a levy. The amount of the
 38 levy shall be determined each year and the levy may not exceed the
 39 lesser of the following:

40 (1) The revenue derived from a tax rate of eight and thirty-three
 41 hundredths cents (\$0.0833) for each one hundred dollars (\$100)
 42 of assessed valuation within the school corporation.

1 (2) The revenue derived from a tax rate equal to the difference
 2 between the maximum rate allowed for the school corporation's
 3 capital projects fund under IC 20-46-6 minus the actual capital
 4 projects fund rate that will be in effect for the school corporation
 5 for a particular year.

6 SECTION 484. IC 20-46-3-7, AS ADDED BY P.L.2-2006,
 7 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 8 [EFFECTIVE JANUARY 1, 2009]: Sec. 7. The ~~department of local~~
 9 ~~government finance~~ **county fiscal body** shall review the petition of the
 10 school corporation ~~and the recommendation of the tax control board~~
 11 and:

- 12 (1) disapprove the petition if the petition does not comply with
 13 this section;
 14 (2) approve the petition; or
 15 (3) approve the petition with modifications.

16 SECTION 485. IC 20-46-5-6, AS ADDED BY P.L.2-2006,
 17 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 18 [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) This section does not
 19 apply to a school corporation located in South Bend, unless a resolution
 20 adopted under IC 6-1.1-17-5.6(d) by the governing body of the school
 21 corporation is in effect.

22 (b) Before a governing body may collect property taxes for the fund
 23 in a particular calendar year, the governing body must, after January 1
 24 and not later than September 20 of the immediately preceding year:

- 25 (1) conduct a public hearing on; and
 26 (2) pass a resolution to adopt;

27 a plan.

28 **(c) This section expires January 1, 2009.**

29 SECTION 486. IC 20-46-5-7, AS ADDED BY P.L.2-2006,
 30 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 31 [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) **Except as provided in**
 32 **subsection (b)**, this section applies only to a school corporation located
 33 in South Bend.

34 **(b) After December 31, 2009, this section applies to all school**
 35 **corporations.**

36 ~~(b)~~ **(c) This subsection expires January 1, 2010.** This section does
 37 not apply to the school corporation if a resolution adopted under
 38 IC 6-1.1-17-5.6(d) by the governing body of the school corporation is
 39 in effect.

40 ~~(c)~~ **(d)** Before the governing body of the school corporation may
 41 collect property taxes for the fund in a particular calendar year, the
 42 governing body must, after January 1 and on or before February 1 of

1 the immediately preceding year:

- 2 (1) conduct a public hearing on; and
 3 (2) pass a resolution to adopt;
 4 a plan.

5 SECTION 487. IC 20-46-5-8, AS ADDED BY P.L.2-2006,
 6 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE JANUARY 1, 2009]: Sec. 8. (a) The department of local
 8 government finance shall prescribe the format of the plan.

9 (b) A plan must apply to at least the ~~ten (10)~~ **twelve (12)** budget
 10 years immediately following the year the plan is adopted.

11 (c) A plan must at least include the following:

12 (1) An estimate for each year to which it applies of the nature and
 13 amount of proposed expenditures from the fund.

14 (2) A presumption that the minimum useful life of a school bus is
 15 not less than ~~ten (10)~~ **twelve (12)** years.

16 (3) An identification of:

17 (A) the source of all revenue to be dedicated to the proposed
 18 expenditures in the upcoming budget year; and

19 (B) the amount of property taxes to be collected in that year
 20 and the unexpended balance to be retained in the fund for
 21 expenditures proposed for a later year.

22 (4) If the school corporation is seeking to:

23 (A) acquire; or

24 (B) contract for transportation services that will provide;
 25 additional school buses or school buses with a larger seating
 26 capacity as compared with the number and type of school buses
 27 from the prior school year, evidence of a demand for increased
 28 transportation services within the school corporation. Clause (B)
 29 does not apply if contracted transportation services are not paid
 30 from the fund.

31 (5) If the school corporation is seeking to:

32 (A) replace an existing school bus earlier than ~~ten (10)~~ **twelve**
 33 **(12)** years after the existing school bus was originally
 34 acquired; or

35 (B) require a contractor to replace a school bus;
 36 evidence that the need exists for the replacement of the school
 37 bus. Clause (B) does not apply if contracted transportation
 38 services are not paid from the fund.

39 (6) Evidence that the school corporation that seeks to acquire
 40 additional school buses under this section is acquiring or
 41 contracting for the school buses only for the purposes specified in
 42 subdivision (4) or for replacement purposes.

1 SECTION 488. IC 20-46-5-9, AS ADDED BY P.L.2-2006,
 2 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 3 [EFFECTIVE JANUARY 1, 2009]: Sec. 9. After reviewing the plan,
 4 the ~~department of local government finance~~ **county fiscal body of the**
 5 **county in which the school corporation has the largest part of its**
 6 **net assessed value** shall certify its approval, disapproval, or
 7 modification of the plan to the governing body and the county auditor
 8 of the county. ~~The department of local government finance may seek~~
 9 ~~the recommendation of the tax control board with respect to this~~
 10 ~~determination.~~ The action of the ~~department of local government~~
 11 ~~finance~~ **county fiscal body** with respect to the plan is final.

12 SECTION 489. IC 20-46-5-10, AS ADDED BY P.L.2-2006,
 13 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 14 [EFFECTIVE JANUARY 1, 2009]: Sec. 10. (a) A governing body may
 15 amend a plan. When an amendment to a plan is required, the governing
 16 body must:

17 (1) declare the nature of and the need for the amendment; and
 18 (2) show cause as to why the original plan no longer meets the
 19 needs of the school corporation.

20 (b) The governing body must then conduct a public hearing on and
 21 pass a resolution to adopt the amendment to the plan.

22 (c) The plan, as proposed to be amended, must comply with the
 23 requirements for a plan under section 8 of this chapter.

24 (d) An amendment to the plan is not subject to the deadlines for
 25 adoption described in section 6 or 7 of this chapter. However, the
 26 amendment to the plan must be submitted to the ~~department of local~~
 27 ~~government finance~~ **county fiscal body** for its consideration and is
 28 subject to approval, disapproval, or modification in accordance with
 29 the procedures for adopting a plan set forth in this chapter.

30 SECTION 490. IC 20-46-5-12, AS ADDED BY P.L.234-2007,
 31 SECTION 264, IS AMENDED TO READ AS FOLLOWS
 32 [EFFECTIVE JANUARY 1, 2009]: Sec. 12. (a) If:

33 (1) a school corporation enters into a lease agreement with the
 34 Indiana bond bank for the lease of one (1) or more school buses
 35 under IC 5-1.5-4-1(a)(5);

36 (2) the lease agreement conforms with the school corporation's ten
 37 (10) year school bus replacement plan **(in the case of plans**
 38 **approved before January 1, 2009) or twelve (12) year school**
 39 **bus replacement plan (in the case of plans approved after**
 40 **December 31, 2008) approved by the department of local**
 41 ~~government finance~~ under section 9 of this chapter; and

42 (3) in the first full fiscal year after the effective date of the lease

1 agreement, there would otherwise be a reduction in the levy in an
 2 amount equal to the difference between the total purchase price
 3 of the bus or buses and the total rental payment due under the
 4 lease agreement;

5 the levy in that fiscal year may not be reduced by the amount of the
 6 reduction.

7 (b) Any or all of the amount of that part of the levy may, on or
 8 before the end of the year of its collection, be:

9 (1) retained in the fund;

10 (2) transferred to the school transportation fund established under
 11 IC 20-40-6-4; or

12 (3) transferred to the capital projects fund established under
 13 IC 20-40-8-6.

14 SECTION 491. IC 20-46-6-8, AS ADDED BY P.L.2-2006,
 15 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 16 [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) This section does not
 17 apply to a school corporation that is located in South Bend, unless a
 18 resolution adopted under IC 6-1.1-17-5.6(d) by the governing body of
 19 the school corporation is in effect.

20 (b) Before a governing body may collect property taxes for a capital
 21 projects fund in a particular year, the governing body must:

22 (1) after January 1; and

23 (2) not later than September 20;

24 of the immediately preceding year, hold a public hearing on a proposed
 25 or amended plan and pass a resolution to adopt the proposed or
 26 amended plan.

27 **(c) This section expires January 1, 2009.**

28 SECTION 492. IC 20-46-6-9, AS ADDED BY P.L.2-2006,
 29 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 30 [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) **Except as provided in**
 31 **subsection (b)**, this section applies only to a school corporation that is
 32 located in South Bend.

33 **(b) After December 31, 2009, this section applies to all school**
 34 **corporations.**

35 ~~(b)~~ **(c) This subsection expires January 1, 2010.** This ~~subsection~~
 36 **section** does not apply to the school corporation if a resolution adopted
 37 under IC 6-1.1-17-5.6(d) by the governing body of the school
 38 corporation is in effect.

39 ~~(c)~~ **(d)** Before the governing body of the school corporation may
 40 collect property taxes for a fund in a particular year, the governing
 41 body must:

42 (1) after January 1; and

1 (2) before February 2;
 2 of the immediately preceding year, hold a public hearing on a proposed
 3 or amended plan and pass a resolution to adopt the proposed or
 4 amended plan.

5 SECTION 493. IC 20-46-6-13, AS ADDED BY P.L.2-2006,
 6 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE JANUARY 1, 2009]: Sec. 13. (a) In the first year that a
 8 plan is proposed, ten (10) or more taxpayers that will be affected by the
 9 adopted plan may file a petition with the county auditor of a county in
 10 which the school corporation is located not later than ten (10) days
 11 after the publication under section 12 of this chapter. The petition must
 12 set forth the taxpayers' objections to the proposed plan.

13 (b) After the first year a plan is proposed, ten (10) or more taxpayers
 14 that will be affected by the adopted plan may file a petition with the
 15 county auditor of a county in which the school corporation is located
 16 not later than ten (10) days after the publication under section 12 of this
 17 chapter. The petition must set forth the taxpayers' objections to any
 18 item in the proposed plan or amendment to the plan that does not
 19 concern a construction project that had previously been included in a
 20 plan.

21 (c) The county auditor shall immediately certify a petition filed
 22 under this section to the ~~department of local government finance~~
 23 **county fiscal body of the county in which the school corporation**
 24 **has the largest part of its net assessed value.**

25 SECTION 494. IC 20-46-6-14, AS ADDED BY P.L.2-2006,
 26 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 27 [EFFECTIVE JANUARY 1, 2009]: Sec. 14. (a) The ~~department of~~
 28 ~~local government finance~~ **county fiscal body** shall within a reasonable
 29 time fix a date for a hearing on a petition filed under section 13 of this
 30 chapter. The hearing shall be held in a county in which the school
 31 corporation is located.

32 (b) The ~~department of local government finance~~ **county fiscal body**
 33 shall notify:

34 (1) the governing body; and
 35 (2) the first ten (10) taxpayers whose names appear on the
 36 petition;
 37 at least five (5) days before the date fixed for the hearing.

38 SECTION 495. IC 20-46-6-15, AS ADDED BY P.L.2-2006,
 39 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 40 [EFFECTIVE JANUARY 1, 2009]: Sec. 15. After a hearing on the
 41 petition under section 14 of this chapter, the ~~department of local~~
 42 ~~government finance~~ **county fiscal body** shall certify its approval,

1 disapproval, or modification of the plan to the governing body and the
 2 county auditor of the county. ~~The department of local government~~
 3 ~~finance may seek the recommendation of the tax control board with~~
 4 ~~respect to the department of local government finance's determination.~~

5 SECTION 496. IC 20-46-6-16, AS ADDED BY P.L.2-2006,
 6 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE JANUARY 1, 2009]: Sec. 16. A governing body may
 8 petition for judicial review of the final determination of the ~~department~~
 9 ~~of local government finance county fiscal body~~ under section 15 of
 10 this chapter. The petition must be filed in the tax court not more than
 11 forty-five (45) days after the ~~department of local government finance~~
 12 ~~county fiscal body~~ certifies its action under section 15 of this chapter.

13 SECTION 497. IC 20-46-6-18, AS ADDED BY P.L.2-2006,
 14 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 15 [EFFECTIVE JANUARY 1, 2009]: Sec. 18. (a) This section applies to
 16 an amendment to a plan that is required by a reason other than an
 17 emergency.

18 (b) The governing body must hold a public hearing on the proposed
 19 amendment. At the hearing, the governing body must declare the nature
 20 of and the need for the amendment and pass a resolution to adopt the
 21 amendment to the plan.

22 (c) The plan, as proposed to be amended, must comply with the
 23 requirements for a plan under section 10 of this chapter. The governing
 24 body must publish the proposed amendment to the plan and notice of
 25 the hearing in accordance with IC 5-3-1-2(b).

26 (d) An amendment to the plan:

27 (1) is not subject to the deadline for adoption described in section
 28 8 or 9 of this chapter;

29 (2) must be submitted to the ~~department of local government~~
 30 ~~finance county fiscal body~~ for its consideration; and

31 (3) is subject to approval, disapproval, or modification in
 32 accordance with the procedures for adopting a plan.

33 SECTION 498. IC 20-46-6-19, AS ADDED BY P.L.2-2006,
 34 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 35 [EFFECTIVE JANUARY 1, 2009]: Sec. 19. (a) This section applies to
 36 an amendment to a plan that is required by reason of an emergency that
 37 results in costs that exceed the amount accumulated in the fund for
 38 repair, replacement, or site acquisition that is necessitated by an
 39 emergency.

40 (b) The governing body is not required to comply with section 18 of
 41 this chapter.

42 (c) The governing body must immediately apply to the ~~department~~

1 ~~of local government finance~~ **county fiscal body** for a determination
 2 that an emergency exists. If the ~~department of local government finance~~
 3 **county fiscal body** determines that an emergency exists, the governing
 4 body may adopt a resolution to amend the plan.

5 (d) An amendment to the plan is not subject to the deadline and the
 6 procedures for adoption described in section 8 or 9 of this chapter.
 7 However, the amendment is subject to modification by the ~~department~~
 8 ~~of local government finance:~~ **county fiscal body.**

9 SECTION 499. IC 20-46-7-8, AS AMENDED BY P.L.224-2007,
 10 SECTION 116, IS AMENDED TO READ AS FOLLOWS
 11 [EFFECTIVE JULY 1, 2008]: Sec. 8. **(a) This section does not apply**
 12 **to the following:**

13 **(1) Bonds or lease rental agreements for which the**
 14 **preliminary determination to issue the bonds or enter into the**
 15 **lease rental agreement is made by a school corporation after**
 16 **December 31, 2008.**

17 **(2) Repayment from the debt service fund of loans made after**
 18 **December 31, 2008, for the purchase of school buses under**
 19 **IC 20-27-4-5.**

20 ~~(a)~~ **(b)** A school corporation must file a petition requesting approval
 21 from the department of local government finance to:

- 22 (1) incur bond indebtedness;
 23 (2) enter into a lease rental agreement; or
 24 (3) repay from the debt service fund loans made for the purchase
 25 of school buses under IC 20-27-4-5;

26 not later than twenty-four (24) months after the first date of publication
 27 of notice of a preliminary determination under IC 6-1.1-20-3.1(2),
 28 **before January 1, 2009, or IC 6-1.1-20-3.1(b)(2) or**
 29 **IC 6-1.1-20-3.5(b)(2), whichever is applicable after December 31,**
 30 **2008**, unless the school corporation demonstrates that a longer period
 31 is reasonable in light of the school corporation's facts and
 32 circumstances.

33 ~~(b)~~ **(c)** A school corporation must obtain approval from the
 34 department of local government finance before the school corporation
 35 may:

- 36 (1) incur the indebtedness;
 37 (2) enter into the lease agreement; or
 38 (3) repay the school bus purchase loan.

39 ~~(c)~~ **(d)** This restriction does not apply to property taxes that a school
 40 corporation levies to pay or fund bond or lease rental indebtedness
 41 created or incurred before July 1, 1974. In addition, this restriction does
 42 not apply to a lease agreement or a purchase agreement entered into

1 between a school corporation and the Indiana bond bank for the lease
 2 or purchase of a school bus under IC 5-1.5-4-1(a)(5), if the lease
 3 agreement or purchase agreement conforms with the school
 4 corporation's ten (10) year school bus replacement plan approved by
 5 the department of local government finance under IC 21-2-11.5-3.1
 6 **(before its repeal) or IC 20-46-5.**

7 ~~(d)~~ (e) This section does not apply to

8 ~~(1)~~ school bus purchase loans made by a school corporation that
 9 will be repaid solely from the general fund of the school
 10 corporation. ~~or~~

11 ~~(2)~~ bonded indebtedness incurred; or lease rental agreements
 12 entered into for capital projects approved by a county board of tax
 13 and capital projects review under IC 6-1.1-29.5 after December
 14 31, 2008.

15 SECTION 500. IC 20-46-7-8.5 IS ADDED TO THE INDIANA
 16 CODE AS A NEW SECTION TO READ AS FOLLOWS
 17 [EFFECTIVE JULY 1, 2008]: **Sec. 8.5. (a) Notwithstanding any**
 18 **other provision, review by the department of local government**
 19 **finance and approval by the department of local government**
 20 **finance are not required before a school corporation may issue or**
 21 **enter into bonds, a lease, or any other obligation, if the school**
 22 **corporation's preliminary determination to issue or enter into the**
 23 **bonds, lease, or other obligation is made after December 31, 2008.**

24 **(b) A school corporation is not required to obtain the approval**
 25 **of the department of local government finance before the school**
 26 **corporation may repay from the debt service fund any loans made**
 27 **after December 31, 2008, for the purchase of school buses under**
 28 **IC 20-27-4-5.**

29 **(c) This subsection applies after December 31, 2008.**
 30 **Notwithstanding any other provision, review by the department of**
 31 **local government finance and approval by the department of local**
 32 **government finance are not required before a school corporation**
 33 **may construct, alter, or repair a capital project.**

34 SECTION 501. IC 20-46-7-9, AS AMENDED BY P.L.224-2007,
 35 SECTION 117, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE JULY 1, 2008]: **Sec. 9. (a) This section applies only to**
 37 **an obligation described in subject to section 8 of this chapter. This**
 38 **section does not apply to bonded indebtedness incurred or lease rental**
 39 **agreements entered into for capital projects approved by a county board**
 40 **of tax and capital projects review under IC 6-1.1-29.5 after December**
 41 **31, 2008: for which the preliminary determination to issue the**
 42 **bonds or enter into the lease rental agreement is made by a school**

1 **corporation after December 31, 2008.**

2 (b) The department of local government finance may:

- 3 (1) approve;
 4 (2) disapprove; or
 5 (3) modify then approve;

6 a school corporation's proposed lease rental agreement, bond issue, or
 7 school bus purchase loan. Before the department of local government
 8 finance approves or disapproves a proposed lease rental agreement,
 9 bond issue, or school bus purchase loan, the department of local
 10 government finance may seek the recommendation of the tax control
 11 board.

12 (c) The department of local government finance shall render a
 13 decision not more than three (3) months after the date the department
 14 of local government finance receives a request for approval under
 15 section 8 of this chapter. However, the department of local government
 16 finance may extend this three (3) month period by an additional three
 17 (3) months if, at least ten (10) days before the end of the original three
 18 (3) month period, the department of local government finance sends
 19 notice of the extension to the executive officer of the school
 20 corporation.

21 SECTION 502. IC 20-46-7-10, AS AMENDED BY P.L.224-2007,
 22 SECTION 118, IS AMENDED TO READ AS FOLLOWS
 23 [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) This section applies only
 24 to an obligation described in section 8 of this chapter. This section does
 25 not apply to bonded indebtedness ~~incurred~~ or lease rental agreements
 26 ~~entered into for capital projects approved by a county board of tax and~~
 27 ~~capital projects review under IC 6-1.1-29.5 after December 31, 2008-~~
 28 **for which the preliminary determination to issue the bonds or**
 29 **enter into the lease rental agreement is made by a school**
 30 **corporation after December 31, 2008.**

31 (b) The department of local government finance may not approve a
 32 school corporation's proposed lease rental agreement or bond issue to
 33 finance the construction of additional classrooms unless the school
 34 corporation first:

- 35 (1) establishes that additional classroom space is necessary; and
 36 (2) conducts a feasibility study, holds public hearings, and hears
 37 public testimony on using a twelve (12) month school term
 38 (instead of the nine (9) month school term (as defined in
 39 IC 20-30-2-7)) rather than expanding classroom space.

40 (c) A taxpayer may petition for judicial review of the final
 41 determination of the department of local government finance under this
 42 section. The petition must be filed in the tax court not more than thirty

1 (30) days after the department of local government finance enters its
2 order under this section.

3 SECTION 503. IC 20-46-7-11, AS ADDED BY P.L.2-2006,
4 SECTION 169, IS AMENDED TO READ AS FOLLOWS
5 [EFFECTIVE UPON PASSAGE]: Sec. 11. **(a)** The department of local
6 government finance in determining whether to approve or disapprove
7 a school building construction project and the tax control board in
8 determining whether to recommend approval or disapproval of a school
9 building construction project shall consider the following factors:

- 10 (1) The current and proposed square footage of school building
- 11 space per student.
- 12 (2) Enrollment patterns within the school corporation.
- 13 (3) The age and condition of the current school facilities.
- 14 (4) The cost per square foot of the school building construction
- 15 project.
- 16 (5) The effect that completion of the school building construction
- 17 project would have on the school corporation's tax rate.
- 18 (6) Any other pertinent matter.

19 **(b) The authority of the department of local government finance**
20 **to determine whether to approve or disapprove a school building**
21 **construction project does not after December 31, 2008, include the**
22 **authority to review or approve the financing of the school building**
23 **construction project.**

24 SECTION 504. IC 20-46-7-12, AS ADDED BY P.L.2-2006,
25 SECTION 169, IS AMENDED TO READ AS FOLLOWS
26 [EFFECTIVE UPON PASSAGE]: Sec. 12. **(a) This section does not**
27 **apply to bonds for which the preliminary determination to issue**
28 **the bonds is made by a school corporation after December 31,**
29 **2008.**

30 **(b)** The department of local government finance in determining
31 whether to approve or disapprove a school building construction
32 project and the tax control board in determining whether to recommend
33 approval or disapproval of a school building construction project may
34 not approve or recommend the approval of a project that is financed
35 through the issuance of bonds if the bonds mature more than
36 twenty-five (25) years after the date of the issuance of the bonds.

37 SECTION 505. IC 20-47-2-13, AS ADDED BY P.L.2-2006,
38 SECTION 170, IS AMENDED TO READ AS FOLLOWS
39 [EFFECTIVE JANUARY 1, 2009]: Sec. 13. (a) If the execution of the
40 lease as originally agreed upon or as modified by agreement is
41 authorized by the governing body or bodies of the school corporation
42 or corporations, the governing body shall give notice of the signing of

1 the lease by publication one (1) time in:

2 (1) a newspaper of general circulation printed in the English
3 language in the school corporation;

4 (2) a newspaper described in subdivision (1) in each school
5 corporation if the proposed lease is a joint lease; or

6 (3) if no such newspaper is published in the school corporation,
7 in any newspaper of general circulation published in the county.

8 (b) Within thirty (30) days after the publication of notice under
9 subsection (a), fifty (50) or more taxpayers in the school corporation or
10 corporations who:

11 (1) will be affected by the proposed lease; and

12 (2) are of the opinion that:

13 (A) necessity does not exist for the execution of the lease; or

14 (B) the proposed rental provided for in the lease is not a fair
15 and reasonable rental;

16 may file a petition ~~in the office with the fiscal body~~ of the county
17 ~~auditor of the county~~ in which the school corporation or corporations
18 are located. **In the case of a school corporation located in more than**
19 **one (1) county, the school corporation shall file the appeal with the**
20 **fiscal body of the county in which the greatest part of the school**
21 **corporation's net assessed valuation is located.** The petition must set
22 forth the taxpayers' objections to the lease and facts showing that the
23 execution of the lease is unnecessary or unwise or that the lease rental
24 is not fair and reasonable, as the case may be.

25 (c) Upon the filing of a petition under subsection (b), the ~~county~~
26 ~~auditor shall immediately certify a copy of the petition, together with~~
27 ~~any other data that is necessary to present the questions involved, to the~~
28 ~~department of local government finance. Upon receipt of the certified~~
29 ~~petition and data, if any, the department of local government finance~~
30 **county fiscal body** shall fix a time, date, and place for the hearing of
31 the matter, which may not be less than five (5) nor more than thirty
32 (30) days thereafter. ~~The department of local government finance~~
33 **county fiscal body** shall

34 ~~(1) conduct the hearing in the school corporation or corporations,~~
35 ~~or in the county where the school corporation or corporations are~~
36 ~~located; and~~

37 ~~(2) give notice of the hearing to the members of the governing~~
38 ~~body or bodies of the school corporation or corporations and to~~
39 ~~the first fifty (50) taxpayers who signed the petition under~~
40 ~~subsection (b) by a letter signed by the commissioner or deputy~~
41 ~~commissioner of the department of local government finance,~~
42 **clerk of the county fiscal body** and enclosed with full prepaid

1 postage addressed to the taxpayer petitioners at their usual place
2 of residence, at least five (5) days before the hearing.

3 The decision of the ~~department of local government finance~~ **county**
4 **fiscal body** on the appeal, upon the necessity for the execution of the
5 lease and as to whether the rental is fair and reasonable, is final.

6 SECTION 506. IC 20-47-2-14, AS ADDED BY P.L.2-2006,
7 SECTION 170, IS AMENDED TO READ AS FOLLOWS
8 [EFFECTIVE JANUARY 1, 2009]: Sec. 14. An action to contest the
9 validity of the lease or to enjoin the performance of any of the terms
10 and conditions of the lease may not be instituted at any time later than:

11 (1) thirty (30) days after publication of notice of the execution of
12 the lease by the governing body or bodies of the school
13 corporation or corporations; or

14 (2) if an appeal has been taken to the ~~department of local~~
15 ~~government finance,~~ **county fiscal body**, thirty (30) days after the
16 decision of the ~~department of local government finance.~~ **county**
17 **fiscal body.**

18 SECTION 507. IC 20-47-3-5, AS ADDED BY P.L.2-2006,
19 SECTION 170, IS AMENDED TO READ AS FOLLOWS
20 [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) Except as provided in
21 subsection (d), a lease must provide that the school corporation or
22 corporations have an option to:

23 (1) renew the lease for a further term on like conditions; and
24 (2) purchase the property covered by the lease;

25 with the terms and conditions of the purchase to be specified in the
26 lease. ~~subject to the approval of the department of local government~~
27 ~~finance.~~ **If the lease is not subject to a local public question under**
28 **IC 6-1.1-20-3.6, the terms and conditions of the purchase are**
29 **subject to approval by the fiscal body of the county in which the**
30 **greatest part of the school corporation's net assessed valuation is**
31 **located.**

32 (b) If the option to purchase the property covered by the lease is
33 exercised, the school corporation or corporations, to procure funds to
34 pay the purchase price, may issue and sell bonds under the provisions
35 of the general statute governing the issue and sale of bonds of the
36 school corporation or corporations. The purchase price may not be
37 more than the purchase price set forth in the lease plus:

38 (1) two percent (2%) of the purchase price as prepayment penalty
39 for purchase within the first five (5) years of the lease term; or

40 (2) one percent (1%) of the purchase price as prepayment penalty
41 for purchase in the second five (5) years of the lease term;

42 and thereafter the purchase shall be without prepayment penalty.

1 (c) However:

2 (1) if the school corporation or corporations have not exercised an
3 option to purchase the property covered by the lease at the
4 expiration of the lease; and

5 (2) upon the full discharge and performance by the school
6 corporation or corporations of their obligations under the lease;
7 the property covered by the lease becomes the absolute property of the
8 school corporation or corporations, and the lessor corporation shall
9 execute proper instruments conveying to the school corporation or
10 corporations good and merchantable title to that property.

11 (d) The following provisions apply to a school corporation that is
12 located in Dubois County and enters into a lease with a religious
13 organization or the organization's agent as authorized under section 4
14 of this chapter:

15 (1) The lease is not required to include on behalf of the school
16 corporation an option to purchase the property covered by the
17 lease.

18 (2) The lease must include an option to renew the lease.

19 (3) The property covered by the lease is not required to become
20 the absolute property of the school corporation as provided in
21 subsection (c).

22 SECTION 508. IC 20-47-3-8, AS ADDED BY P.L.2-2006,
23 SECTION 170, IS AMENDED TO READ AS FOLLOWS
24 [EFFECTIVE JANUARY 1, 2009]: Sec. 8. A school corporation or
25 corporations may, in anticipation of the acquisition of a site and the
26 construction and erection of a school building or buildings, and, **in the**
27 **case of a lease that is not subject to a local public question under**
28 **IC 6-1.1-20-3.6**, subject to the approval of the ~~department of local~~
29 ~~government finance~~, **fiscal body of the county in which the greatest**
30 **part of the school corporation's net assessed valuation is located**,
31 enter into a lease with a lessor corporation before the actual acquisition
32 of the site and the construction and erection of the building or
33 buildings. However, the lease entered into by the school corporation or
34 school corporations may not provide for the payment of any lease rental
35 by the lessee or lessees until the building or buildings are ready for
36 occupancy, at which time the stipulated lease rental may begin. The
37 lessor corporation shall furnish a bond to the approval of the lessee or
38 lessees conditioned on the final completion of the building or buildings
39 within a period not to exceed one (1) year from the date of the
40 execution of the lease, unavoidable delays excepted.

41 SECTION 509. IC 20-47-3-11, AS ADDED BY P.L.2-2006,
42 SECTION 170, IS AMENDED TO READ AS FOLLOWS

1 [EFFECTIVE JANUARY 1, 2009]: Sec. 11. (a) If the execution of the
 2 lease as originally agreed upon or as modified by agreement is
 3 authorized by the governing body or bodies of the school corporation
 4 or corporations, the governing body shall give notice of the signing of
 5 the lease by publication one (1) time in:

- 6 (1) a newspaper of general circulation printed in the English
 7 language in the school corporation;
- 8 (2) a newspaper described in subdivision (1) in each school
 9 corporation if the proposed lease is a joint lease; or
- 10 (3) if no such newspaper is published in the school corporation,
 11 in any newspaper of general circulation published in the county.

12 (b) Within thirty (30) days after the publication of notice under
 13 subsection (a), ten (10) or more taxpayers in the school corporation or
 14 corporations who:

- 15 (1) will be affected by the proposed lease; and
- 16 (2) are of the opinion that:
 - 17 (A) no necessity exists for the execution of the lease; or
 - 18 (B) the proposed rental provided for in the lease is not a fair
 19 and reasonable rental;

20 may file a petition ~~in the office with the fiscal body~~ of the county
 21 ~~auditor of the county~~ in which the school corporation or corporations
 22 are located. **In the case of a school corporation located in more than**
 23 **one (1) county, the school corporation shall file the appeal with the**
 24 **fiscal body of the county in which the greatest part of the school**
 25 **corporation's net assessed valuation is located.** The petition must set
 26 forth the taxpayers' objections to the lease and facts showing that the
 27 execution of the lease is unnecessary or unwise, or that the lease rental
 28 is not fair and reasonable, as the case may be.

29 (c) Upon the filing of a petition under subsection (b), the ~~county~~
 30 ~~auditor shall immediately certify a copy of the petition and any other~~
 31 ~~data that is necessary to present the questions involved to the~~
 32 ~~department of local government finance. Upon receipt of the certified~~
 33 ~~petition and data, if any, the department of local government finance~~
 34 **county fiscal body** shall fix a date, time, and place for the hearing of
 35 the matter, which may not be less than five (5) nor more than thirty
 36 (30) days after receipt of the petition and data, if any. The ~~department~~
 37 ~~of local government finance~~ **county fiscal body** shall:

- 38 ~~(1) conduct the hearing in the school corporation or corporations~~
 39 ~~or in the county where the school corporation or corporations are~~
 40 ~~located; and~~
- 41 ~~(2) give notice of the hearing to the members of the governing~~
 42 ~~body or bodies of the school corporation or corporations and to~~

1 the first ten (10) taxpayer petitioners upon the petition by a letter
 2 signed by the ~~commissioner or deputy commissioner of the~~
 3 ~~department of local government finance, clerk of the county~~
 4 **fiscal body** and enclosed with full prepaid postage addressed to
 5 the taxpayer petitioners at their usual place of residence, at least
 6 five (5) days before the hearing.

7 The decision of the ~~department of local government finance county~~
 8 **fiscal body** on the appeal, upon the necessity for the execution of the
 9 lease, and as to whether the rental is fair and reasonable, is final.

10 SECTION 510. IC 20-47-3-12, AS ADDED BY P.L.2-2006,
 11 SECTION 170, IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE JANUARY 1, 2009]: Sec. 12. An action to contest the
 13 validity of the lease or to enjoin the performance of any of the terms
 14 and conditions of the lease may not be instituted at any time later than:

15 (1) thirty (30) days after publication of notice of the execution of
 16 the lease by the governing body or bodies of the school
 17 corporation or corporations; or

18 (2) if an appeal has been taken to the ~~department of local~~
 19 ~~government finance, county fiscal body~~, thirty (30) days after the
 20 decision of the ~~department of local government finance, county~~
 21 **fiscal body**.

22 SECTION 511. IC 20-47-4-6, AS ADDED BY P.L.2-2006,
 23 SECTION 170, IS AMENDED TO READ AS FOLLOWS
 24 [EFFECTIVE JULY 1, 2008]: Sec. 6. (a) A lessor corporation may
 25 acquire and finance an existing school building, other than as provided
 26 in section 5 of this chapter, and lease the existing school building to a
 27 school corporation. A school corporation shall comply with:

28 (1) IC 20-47-2 or IC 20-47-3; and ~~the petition and remonstrance~~
 29 ~~provisions under IC 6-1.1-20~~;

30 (2) **the local public question provisions under IC 6-1.1-20.**

31 (b) A lease made under this section may provide for the payment of
 32 lease rentals by the school corporation for the use of the existing school
 33 building.

34 (c) Lease rental payments made under the lease do not constitute a
 35 debt of the school corporation for purposes of the Constitution of the
 36 State of Indiana.

37 (d) A new school building may be substituted for the existing school
 38 building under the lease if the substitution was included in the notices
 39 given under IC 20-47-2, IC 20-47-3, and IC 6-1.1-20. A new school
 40 building must be substituted for the existing school building upon
 41 completion of the new school building.

42 SECTION 512. IC 20-48-1-4, AS ADDED BY P.L.2-2006,

1 SECTION 171, IS AMENDED TO READ AS FOLLOWS
 2 [EFFECTIVE JANUARY 1, 2009]: Sec. 4. (a) Bonds issued by a
 3 school corporation must be sold at:

- 4 (1) not less than par value;
- 5 (2) public sale as provided by IC 5-1-11; and
- 6 (3) any rate or rates of interest determined by the bidding.

7 **(b) This subsection does not apply to bonds for which the**
 8 **preliminary determination to issue the bonds is made by a school**
 9 **corporation after December 31, 2008.** If the net interest cost exceeds
 10 eight percent (8%) per year, the bonds must not be issued until the
 11 issuance is approved by the department of local government finance.

12 SECTION 513. IC 20-48-1-8, AS AMENDED BY P.L.219-2007,
 13 SECTION 99, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JANUARY 1, 2009]: Sec. 8. The provisions of all general statutes and
 15 rules relating to:

- 16 (1) filing petitions requesting the issuance of bonds and giving
 17 notice of the issuance of bonds;
- 18 (2) giving notice of determination to issue bonds;
- 19 (3) giving notice of a hearing on the appropriation of the proceeds
 20 of the bonds and the right of taxpayers to appear and be heard on
 21 the proposed appropriation;
- 22 (4) the approval of the appropriation by the ~~department of local~~
 23 ~~government finance;~~ **county fiscal body;** and
- 24 (5) the right of ~~taxpayers and voters to remonstrate against the~~
 25 ~~issuance of bonds;~~ **vote on the issuance of bonds;**

26 apply to proceedings for the issuance of bonds and the making of an
 27 emergency loan under this article and IC 20-26-1 through IC 20-26-5.
 28 An action to contest the validity of the bonds or emergency loans may
 29 not be brought later than five (5) days after the acceptance of a bid for
 30 the sale of the bonds.

31 SECTION 514. IC 20-48-1-9, AS ADDED BY P.L.2-2006,
 32 SECTION 171, IS AMENDED TO READ AS FOLLOWS
 33 [EFFECTIVE JANUARY 1, 2009]: Sec. 9. (a) If the governing body
 34 of a school corporation finds and declares that an emergency exists to
 35 borrow money with which to pay current expenses from a particular
 36 fund before the receipt of revenues from taxes levied or state tuition
 37 support distributions for the fund, the governing body may issue
 38 warrants in anticipation of the receipt of the revenues.

39 (b) The principal of warrants issued under subsection (a) is payable
 40 solely from the fund for which the taxes are levied or from the school
 41 corporation's general fund in the case of anticipated state tuition
 42 support distributions. However, the interest on the warrants may be

1 paid from the debt service fund, from the fund for which the taxes are
 2 levied, or the general fund in the case of anticipated state tuition
 3 support distributions.

4 (c) The amount of principal of temporary loans maturing on or
 5 before June 30 for any fund may not exceed eighty percent (80%) of
 6 the amount of taxes and state tuition support distributions estimated to
 7 be collected or received for and distributed to the fund at the June
 8 settlement.

9 (d) The amount of principal of temporary loans maturing after June
 10 30 and on or before December 31 may not exceed eighty percent (80%)
 11 of the amount of taxes and state tuition support distributions estimated
 12 to be collected or received for and distributed to the fund at the
 13 December settlement.

14 ~~(e) At each settlement, the amount of taxes and state tuition support~~
 15 ~~distributions estimated to be collected or received for and distributed~~
 16 ~~to the fund includes allocations to the fund from the property tax~~
 17 ~~replacement fund.~~

18 ~~(f)~~ (e) The county auditor or the auditor's deputy shall determine the
 19 estimated amount of taxes and state tuition support distributions to be
 20 collected or received and distributed. The warrants evidencing a loan
 21 in anticipation of tax revenue or state tuition support distributions may
 22 not be delivered to the purchaser of the warrant and payment may not
 23 be made on the warrant before January 1 of the year the loan is to be
 24 repaid. However, the proceedings necessary for the loan may be held
 25 and carried out before January 1 and before the approval. The loan may
 26 be made even though a part of the last preceding June or December
 27 settlement has not been received.

28 ~~(g)~~ (f) Proceedings for the issuance and sale of warrants for more
 29 than one (1) fund may be combined. Separate warrants for each fund
 30 must be issued, and each warrant must state on the face of the warrant
 31 the fund from which the warrant's principal is payable. An action to
 32 contest the validity of a warrant may not be brought later than fifteen
 33 (15) days after the first publication of notice of sale.

34 ~~(h)~~ (g) An issue of tax or state tuition support anticipation warrants
 35 may not be made if the total of all tax or state tuition support
 36 anticipation warrants exceeds twenty thousand dollars (\$20,000) until
 37 the issuance is advertised for sale, bids are received, and an award is
 38 made by the governing body as required for the sale of bonds, except
 39 that the publication of notice of the sale is not necessary:

- 40 (1) outside the county; or
 41 (2) more than ten (10) days before the date of sale.

42 SECTION 515. IC 20-48-1-11, AS ADDED BY P.L.2-2006,

1 SECTION 171, IS AMENDED TO READ AS FOLLOWS
 2 [EFFECTIVE JANUARY 1, 2009]: Sec. 11. (a) As used in this section,
 3 "debt service obligations" refers to the principal and interest payable
 4 during a calendar year on a school corporation's general obligation
 5 bonds and lease rentals under IC 20-47-2 and IC 20-47-3.

6 (b) Before the end of each calendar year, the department of local
 7 government finance shall review the bond and lease rental levies, or
 8 any levies that replace bond and lease rental levies, of each school
 9 corporation that are payable in the next succeeding year and the
 10 appropriations from the levies from which the school corporation is to
 11 pay the amount, if any, of the school corporation's debt service
 12 obligations. If the levies and appropriations of the school corporation
 13 are not sufficient to pay the debt service obligations, the department of
 14 local government finance shall establish for each school corporation:

15 (1) bond or lease rental levies, or any levies that replace the bond
 16 and lease rental levies; and

17 (2) appropriations;

18 that are sufficient to pay the debt service obligations.

19 (c) Upon the failure of a school corporation to pay any of the school
 20 corporation's debt service obligations during a calendar year when due,
 21 the treasurer of state, upon being notified of the failure by a claimant,
 22 shall pay the unpaid debt service obligations that are due from the
 23 funds of the state only to the extent of the amounts appropriated by the
 24 general assembly for the calendar year for distribution to the school
 25 corporation from state funds, deducting the payment from the
 26 appropriated amounts. A deduction under this subsection must be
 27 made:

28 (1) first from ~~property tax relief funds to the extent of the property~~
 29 ~~tax relief funds;~~

30 (2) ~~second from all other~~ funds except state tuition support; and

31 (3) ~~third~~ (2) ~~second~~ from state tuition support.

32 (d) This section shall be interpreted liberally so that the state shall
 33 to the extent legally valid ensure that the debt service obligations of
 34 each school corporation are paid. However, this section does not create
 35 a debt of the state.

36 SECTION 516. IC 20-48-3-6, AS ADDED BY P.L.2-2006,
 37 SECTION 171, IS AMENDED TO READ AS FOLLOWS
 38 [EFFECTIVE JANUARY 1, 2009]: Sec. 6. (a) A school city wishing
 39 to make a temporary loan for its general fund under this section may
 40 temporarily borrow money, without payment of interest, from the
 41 school city's treasury if the school city has in its treasury money derived
 42 from the sale of bonds that cannot or will not in the due course of the

1 business of the school city be expended in the near future. A school city
 2 shall, by its board, take the following steps required by law to obtain a
 3 temporary loan under this section:

4 (1) Present to the ~~department of local government finance county~~
 5 **fiscal body** and the state board of accounts:

6 (A) a copy of the corporate action of the school city
 7 concerning the school city's desire to make a temporary loan;

8 (B) a petition showing the particular need for a temporary
 9 loan;

10 (C) the amount and the date or dates when the general fund
 11 will need the temporary loan or the installments of the loan;

12 (D) the date on which the loan and each installment of the loan
 13 will be needed;

14 (E) the estimated amounts from taxes to come into the general
 15 fund;

16 (F) the dates when it is expected the proceeds of taxes will be
 17 received by the school city for the general fund;

18 (G) the amount of money the school city has in each fund
 19 derived from the proceeds of the sale of bonds that cannot or
 20 will not be expended in the near future; and

21 (H) a showing of when, to what extent, and why money in the
 22 bond service fund will not be expended in the near future.

23 (2) Request the ~~department of local government finance county~~
 24 **fiscal body** and the state board of accounts to authorize a
 25 temporary loan from the bond service fund for the general fund.

26 (b) If:

27 (1) the ~~department of local government finance county fiscal~~
 28 **body** finds and orders that there is need for a temporary loan and
 29 that it should be made;

30 (2) the state board of accounts finds that the money proposed to
 31 be borrowed will not be needed during the period of the
 32 temporary loan by the fund from which it is to be borrowed; and

33 (3) the state board of accounts and the ~~department of local~~
 34 **government finance county fiscal body** approve the loan;

35 the business manager and treasurer of the school city shall, upon the
 36 approval of the state board of accounts and the ~~department of local~~
 37 **government finance county fiscal body**, take all steps necessary to
 38 transfer the amount of the loans as a temporary loan from the fund to
 39 be borrowed from to the general fund of the school city. The loan is a
 40 debt of the school city chargeable against its constitutional debt limit.

41 (c) The state board of accounts and the ~~department of local~~
 42 **government finance county fiscal body**:

- 1 (1) may fix the total amount that may be borrowed on a petition;
 2 and
 3 (2) shall determine:
 4 (A) at what time or times;
 5 (B) in what installments; and
 6 (C) for what periods;
 7 the money may be borrowed.

8 The treasurer and business manager of the school city, as money is
 9 collected from taxes levied on behalf of the general fund, shall credit
 10 the amount of money collected from taxes levied to the loan until the
 11 amount borrowed is fully repaid to the fund from which the loan was
 12 made. The treasurer and business manager of the school city shall at
 13 the end of each calendar month report to the board the amounts applied
 14 from taxes to the payment of the loan.

15 (d) The school city shall, as often as once a month, report to both the
 16 state board of accounts and the ~~department of local government finance~~
 17 **county fiscal body:**

- 18 (1) the amount of money borrowed and unpaid;
 19 (2) any anticipated similar borrowings for the current month;
 20 (3) the amount left in the general fund; and
 21 (4) the anticipated drafts on the bond service fund for the
 22 purposes for which the fund was created.

23 (e) The state board of accounts and the ~~department of local~~
 24 ~~government finance~~ **county fiscal body**, or either acting independently:

- 25 (1) if it appears that the fund from which the loan was made
 26 requires the repayment of all or part of the loan before maturity;
 27 or
 28 (2) if the general fund no longer requires all or part of the
 29 proceeds of the loan;

30 may require the school city to repay all or part of the loan. A school
 31 city shall, if necessary to repay all or part of a loan under this
 32 subsection, exercise its power to obtain a temporary loan from others
 33 under section 5 of this chapter to raise the money needed to repay the
 34 bond service fund the amount ordered repaid.

35 SECTION 517. IC 20-48-4-7, AS ADDED BY P.L.2-2006,
 36 SECTION 171, IS AMENDED TO READ AS FOLLOWS
 37 [EFFECTIVE JANUARY 1, 2009]: Sec. 7. Before altering or
 38 constructing a building or an addition to a building, the proposed action
 39 must be submitted for approval to the ~~department of local government~~
 40 ~~finance:~~ **county fiscal body**. The ~~department of local government~~
 41 ~~finance:~~ **county fiscal body** shall set the proposal for hearing and give
 42 ten (10) days notice of the hearing to the taxpayers of the taxing district

1 by:

- 2 (1) one (1) publication in each of two (2) newspapers of opposite
 3 political parties published in the taxing district;
 4 (2) one (1) publication if only one (1) newspaper is published;
 5 (3) publication in two (2) newspapers representing the two (2)
 6 leading political parties published in the county and having a
 7 general circulation in the taxing district if no newspaper is
 8 published in the district; or
 9 (4) publication in one (1) newspaper if only one (1) paper is
 10 published in the county.

11 The ~~department of local government finance~~: **county fiscal body** shall
 12 conduct the hearing in the taxing district. After the hearing upon the
 13 proposal, the ~~department of local government finance~~: **county fiscal**
 14 **body** shall certify its approval or disapproval to the county auditor and
 15 to the township trustee.

16 SECTION 518. IC 20-48-4-8, AS ADDED BY P.L.2-2006,
 17 SECTION 171, IS AMENDED TO READ AS FOLLOWS
 18 [EFFECTIVE JANUARY 1, 2009]: Sec. 8. (a) Upon approval by the
 19 ~~department of local government finance~~: **county fiscal body**, the
 20 township trustee may, with the consent of the township board, issue
 21 and sell the bonds of the civil township in an amount sufficient to pay
 22 for the alteration, construction, or addition described in section 6 of this
 23 chapter.

24 (b) The trustee may levy a tax on the taxable property of the
 25 township in an amount sufficient to discharge the bonds issued and
 26 sold. The bonds may not bear a maturity date more than twenty (20)
 27 years from the date of issue.

28 SECTION 519. IC 20-49-2-9, AS ADDED BY P.L.2-2006,
 29 SECTION 172, IS AMENDED TO READ AS FOLLOWS
 30 [EFFECTIVE JANUARY 1, 2009]: Sec. 9. A nondisaster advancement
 31 to any school corporation under section 10 of this chapter may not
 32 exceed two hundred fifty thousand dollars (\$250,000). However, this
 33 dollar limitation is waived if:

- 34 (1) the school corporation has an adjusted assessed valuation per
 35 ADA of less than eight thousand four hundred dollars (\$8,400);
 36 (2) the school corporation's debt service fund tax rate would
 37 exceed one dollar (\$1) for each one hundred dollars (\$100) of
 38 assessed valuation without a waiver of the dollar limitation; and
 39 (3) the ~~school property tax control board~~ **county fiscal body of**
 40 **the county in which the school corporation has the largest**
 41 **part of its net assessed value** recommends a waiver of the
 42 limitation.

1 SECTION 520. IC 20-49-3-8, AS ADDED BY P.L.2-2006,
 2 SECTION 172, IS AMENDED TO READ AS FOLLOWS
 3 [EFFECTIVE JANUARY 1, 2009]: Sec. 8. The fund may be used to
 4 make advances:

- 5 (1) to school corporations, including school townships, under
- 6 IC 20-49-4 and IC 20-49-5;
- 7 (2) under IC 20-49-6; and
- 8 (3) to charter schools under ~~IC 20-24-7-3(f)~~ **IC 20-24-7-3(c)** and
- 9 IC 20-49-7.

10 SECTION 521. IC 20-49-8.2-1, AS ADDED BY P.L.211-2007,
 11 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 UPON PASSAGE]: Sec. 1. As used in this chapter, "eligible school
 13 corporation" refers to a school corporation located in a county that:

14 (1) has been reassessed:

- 15 **(A) under IC 6-1.1-4-9 for the March 1, 2006, or January**
- 16 **15, 2007, assessment dates (as defined in IC 6-1.1-1-2); or**
- 17 **(B) under IC 6-1.1-4-32 (before its repeal); or**

18 **(2) in which distributions of property tax revenue for 2007 or**
 19 **2008 to the taxing units (as defined in IC 6-1.1-1-21) of the**
 20 **county:**

21 **(A) have not been made; or**

22 **(B) were delayed by more than sixty (60) days after either**
 23 **due date specified in IC 6-1.1-22-9.**

24 SECTION 522. IC 20-49-8.2-4, AS ADDED BY P.L.211-2007,
 25 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 UPON PASSAGE]: Sec. 4. The state board may loan money to an
 27 eligible school corporation that has experienced a shortfall of at least
 28 five percent (5%) in the collection of property tax levies in the current
 29 year or the preceding years for the eligible school corporation's general
 30 fund as a result of any of the following:

31 (1) Erroneous assessed valuation amounts provided to the eligible
 32 school corporation, **including erroneous assessed valuation**
 33 **amounts attributable to the eligible school corporation not**
 34 **having received a certified assessed valuation.**

35 (2) Erroneous figures used to determine the eligible school
 36 corporation's general fund property tax rate.

37 (3) A change in the assessed valuation of property as the result of
 38 appeals under IC 6-1.1 or IC 6-1.5.

39 (4) The payment of refunds that resulted from appeals under
 40 IC 6-1.1 or IC 6-1.5.

41 SECTION 523. IC 20-49-8.2-6, AS ADDED BY P.L.211-2007,
 42 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

1 UPON PASSAGE]: Sec. 6. (a) Subject to subsection (b), the state
 2 board shall determine the terms of a loan after consulting with the
 3 department. The state budget agency must approve the terms of a loan
 4 before the loan is made. **However, the interest rate on the loan may**
 5 **not exceed one percent (1%).**

6 (b) An eligible school corporation receiving a loan under this
 7 chapter must be repay the loan within ~~thirty-six (36)~~ **seventy-two (72)**
 8 months of the date on which the loan is made.

9 SECTION 524. IC 20-49-8.2-7, AS ADDED BY P.L.211-2007,
 10 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 UPON PASSAGE]: Sec. 7. An eligible school corporation that obtains
 12 a loan under this chapter may ~~annually levy a tax in the debt service~~
 13 ~~fund to~~ repay the loan **from any available funds.**

14 SECTION 525. IC 20-49-8.2-10, AS ADDED BY P.L.211-2007,
 15 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 UPON PASSAGE]: Sec. 10. This chapter expires December 31, ~~2010:~~
 17 **2013.**

18 SECTION 526. IC 25-34.1-3-8, AS AMENDED BY P.L.57-2007,
 19 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2008]: Sec. 8. (a) This section does not preclude a person
 21 who:

22 (1) is not licensed or certified as a real estate appraiser under this
 23 section; and

24 (2) is licensed as a broker under this article;

25 from appraising real estate in Indiana for compensation.

26 (b) As used in this section, "federal act" refers to Title XI of the
 27 Financial Institutions Reform, Recovery, and Enforcement Act (12
 28 U.S.C. 3331 through 3351).

29 (c) The commission shall adopt rules to establish a real estate
 30 appraiser licensure and certification program to be administered by the
 31 board.

32 (d) The commission may not adopt rules under this section except
 33 upon the action and written recommendations of the board under
 34 IC 25-34.1-8-6.5.

35 (e) The real estate appraiser licensure and certification program
 36 established by the commission under this section must meet the
 37 requirements of:

38 (1) the federal act;

39 (2) any federal regulations adopted under the federal act; and

40 (3) any other requirements established by the commission as
 41 recommended by the board, including requirements for education,
 42 experience, examination, reciprocity, and temporary practice.

1 (f) The real estate appraiser licensure and certification requirements
 2 established by the commission under this section must require a person
 3 to meet the standards for real estate appraiser certification and
 4 licensure established:

- 5 (1) under the federal act;
- 6 (2) by federal regulations; and
- 7 (3) **under** any other requirements established by the commission
 8 as recommended by the board, including requirements for
 9 education, experience, examination, reciprocity, and temporary
 10 practice.

11 (g) The commission may require continuing education as a
 12 condition of renewal for real estate appraiser licensure and
 13 certification.

14 (h) The following are not required to be a licensed or certified real
 15 estate appraiser to perform the requirements of IC 6-1.1-4:

- 16 (1) A county assessor. ~~who holds office under IC 36-2-15.~~
- 17 (2) A township assessor. ~~who holds office under IC 36-6-5.~~
- 18 (3) ~~An individual employed by an officer described in subdivision~~
 19 ~~(1) or (2).~~ **employee of a county or township assessor.**

20 (i) Notwithstanding IC 25-34.1-3-2(a):

21 (1) only a person who receives a license or certificate issued
 22 under the real estate appraiser licensure and certification program
 23 established under this section may appraise real estate involved
 24 in transactions governed by:

25 (A) the federal act; and

26 (B) any regulations adopted under the federal act;

27 as determined under rules adopted by the commission, as
 28 recommended by the board; and

29 (2) a person who receives a license or certificate issued under the
 30 real estate appraiser licensure and certification program
 31 established under this section may appraise real estate not
 32 involved in transactions governed by:

33 (A) the federal act; and

34 (B) any regulations adopted under the federal act;

35 as determined under rules adopted by the commission, as
 36 recommended by the board.

37 SECTION 527. IC 29-3-9-11, AS AMENDED BY P.L.145-2006,
 38 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 39 [EFFECTIVE UPON PASSAGE]: Sec. 11. The department ~~or county~~
 40 **office of family and children of child services** shall investigate and
 41 report to the court concerning the conditions and circumstances of a
 42 minor or an alleged incapacitated person or protected person and the

1 fitness and conduct of the guardian or the proposed guardian whenever
2 ordered to do so by the court.

3 SECTION 528. IC 31-9-2-5.5 IS ADDED TO THE INDIANA
4 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
5 [EFFECTIVE JANUARY 1, 2009]: **Sec. 5.5. "Adoption subsidy", for**
6 **purposes of IC 31-19-26.5, has the meaning set forth in**
7 **IC 31-19-26.5-1.**

8 SECTION 529. IC 31-9-2-9.3, AS ADDED BY P.L.145-2006,
9 SECTION 171, IS AMENDED TO READ AS FOLLOWS
10 [EFFECTIVE JULY 1, 2008]: Sec. 9.3. (a) "Applicant", for purposes
11 of IC 31-25-3, IC 31-25-4, IC 31-26-2, ~~IC 31-26-3~~, **and IC 31-26-3.5**,
12 ~~IC 31-28-1, IC 31-28-2, and IC 31-28-3~~, means a person who has
13 applied for assistance for the applicant or another person.

14 (b) "Applicant", for purposes of IC 31-27, means a person who
15 seeks a license to operate a child caring institution, foster family home,
16 group home, or child placing agency.

17 SECTION 530. IC 31-9-2-9.7, AS ADDED BY P.L.145-2006,
18 SECTION 173, IS AMENDED TO READ AS FOLLOWS
19 [EFFECTIVE JULY 1, 2008]: Sec. 9.7. "Assistance", for purposes of
20 the following statutes, means money or services regardless of the
21 source, paid or furnished under any of the following statutes:

- 22 (1) IC 31-25-3.
- 23 (2) IC 31-25-4.
- 24 (3) IC 31-26-2.
- 25 ~~(4) IC 31-26-3.~~
- 26 **(4) IC 31-26-3.5.**
- 27 ~~(5) IC 31-28-1.~~
- 28 ~~(6) IC 31-28-2.~~
- 29 ~~(7) IC 31-28-3.~~

30 SECTION 531. IC 31-9-2-10.3, AS ADDED BY P.L.145-2006,
31 SECTION 174, IS AMENDED TO READ AS FOLLOWS
32 [EFFECTIVE JANUARY 1, 2009]: Sec. 10.3. "Blind", for purposes of
33 IC 31-25-3, IC 31-25-4, IC 31-26-2, ~~IC 31-26-3~~, IC 31-28-1,
34 IC 31-28-2, and IC 31-28-3, means an individual who has vision in the
35 better eye with correcting glasses of 20/200 or less, or a disqualifying
36 visual field defect as determined upon examination by an
37 ophthalmologist or optometrist who has been designated to make such
38 examinations by the county office and approved by the department.

39 SECTION 532. IC 31-9-2-17, AS AMENDED BY P.L.145-2006,
40 SECTION 181, IS AMENDED TO READ AS FOLLOWS
41 [EFFECTIVE UPON PASSAGE]: Sec. 17. "Child in need of services",
42 for purposes of ~~IC 31-25-3, IC 31-25-4, IC 31-26-2, IC 31-26-3,~~

1 ~~IC 31-28-1, IC 31-28-2, IC 31-28-3, and IC 31-34~~, means **this title**,
 2 **refers to a child described in IC 31-34-1.**

3 SECTION 533. IC 31-9-2-17.8 IS ADDED TO THE INDIANA
 4 CODE AS A NEW SECTION TO READ AS FOLLOWS
 5 [EFFECTIVE JANUARY 1, 2009]: **Sec. 17.8. "Child services", for**
 6 **purposes of this title, means the following:**

7 **(1) Services, other than services that are costs of secure**
 8 **detention, specifically provided by or on behalf of the**
 9 **department for or on behalf of children who are:**

10 **(A) adjudicated to be:**

11 **(i) children in need of services under IC 31-34; or**

12 **(ii) delinquent children under IC 31-37;**

13 **(B) parties in a child in need of services case filed under**
 14 **IC 31-34 or in a delinquency case filed under IC 31-37**
 15 **before adjudication or entry of a dispositional decree;**

16 **(C) subject to temporary care or supervision by the**
 17 **department under any applicable provision of IC 31-33,**
 18 **IC 31-34, or IC 31-37;**

19 **(D) recipients or beneficiaries of a program of informal**
 20 **adjustment approved under IC 31-34-8 or IC 31-37-9; or**

21 **(E) recipients or beneficiaries of:**

22 **(i) adoption assistance under Title IV-E of the federal**
 23 **Social Security Act (42 U.S.C. 673), as amended;**

24 **(ii) adoption subsidies or assistance under IC 31-19-26.5;**

25 **or**

26 **(iii) assistance, including emergency assistance or**
 27 **assisted guardianships, provided under Title IV-A of the**
 28 **federal Social Security Act (42 U.S.C. 601 et seq.), as**
 29 **amended.**

30 **(2) Costs of using an institution or facility for providing**
 31 **educational services to children described in subdivision**
 32 **(1)(A), under either IC 20-33-2-29 (if applicable) or**
 33 **IC 20-26-11-13 (if applicable).**

34 **(3) Assistance awarded by the department to a destitute child**
 35 **under IC 31-26-2.**

36 SECTION 534. IC 31-9-2-19.5, AS ADDED BY P.L.145-2006,
 37 SECTION 182, IS AMENDED TO READ AS FOLLOWS
 38 [EFFECTIVE JULY 1, 2008]: **Sec. 19.5. "Child welfare services", for**
 39 **purposes of ~~IC 31-25-3, IC 31-25-4, IC 31-26-2, IC 31-26-3,~~**
 40 **~~IC 31-28-1, IC 31-28-2, and IC 31-28-3~~, means the services for**
 41 **children described in ~~IC 31-26-3-1~~. **this title, means services****
 42 **provided under a child welfare program.**

1 SECTION 535. IC 31-9-2-19.6 IS ADDED TO THE INDIANA
 2 CODE AS A NEW SECTION TO READ AS FOLLOWS
 3 [EFFECTIVE JULY 1, 2008]: **Sec. 19.6. "Child welfare program",**
 4 **for purposes of this title, has the meaning set forth in**
 5 **IC 31-26-3.5-1.**

6 SECTION 536. IC 31-9-2-20.3 IS ADDED TO THE INDIANA
 7 CODE AS A NEW SECTION TO READ AS FOLLOWS
 8 [EFFECTIVE JANUARY 1, 2009]: **Sec. 20.3. "Child with special**
 9 **needs", for purposes of IC 31-19-26.5, has the meaning set forth in**
 10 **IC 31-19-26.5-2.**

11 SECTION 537. IC 31-9-2-24.5 IS ADDED TO THE INDIANA
 12 CODE AS A NEW SECTION TO READ AS FOLLOWS
 13 [EFFECTIVE JANUARY 1, 2009]: **Sec. 24.5. "Costs of secure**
 14 **detention", for purposes of this title, has the meaning set forth in**
 15 **IC 31-40-1-1.5.**

16 SECTION 538. IC 31-9-2-26, AS AMENDED BY P.L.138-2007,
 17 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 UPON PASSAGE]: Sec. 26. "County office" or "county office of family
 19 and children", **for purposes of this title**, refers to a **county local** office
 20 of the department. ~~of child services established by IC 31-25-1-1.~~

21 SECTION 539. IC 31-9-2-39.5, AS ADDED BY P.L.145-2006,
 22 SECTION 188, IS AMENDED TO READ AS FOLLOWS
 23 [EFFECTIVE UPON PASSAGE]: Sec. 39.5. "Destitute child" for
 24 purposes of ~~IC 31-25-3, IC 31-25-4, IC 31-26-2, IC 31-26-3,~~
 25 ~~IC 31-28-1, IC 31-28-2, and IC 31-28-3;~~ **this title**, means an individual:

- 26 (1) who is needy;
 27 (2) who is not a public ward;
 28 (3) who is less than eighteen (18) years of age;
 29 (4) who has been deprived of parental support or care because of
 30 a parent's:
 31 (A) death;
 32 (B) continued absence from the home; or
 33 (C) physical or mental incapacity;
 34 (5) whose relatives liable for the individual's support are not able
 35 to provide adequate care or support for the individual without
 36 public assistance; and
 37 (6) who is in need of foster care, under circumstances that do not
 38 require the individual to be made a public ward.

39 SECTION 540. IC 31-9-2-44.8, AS ADDED BY P.L.138-2007,
 40 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2008]: Sec. 44.8. "Family preservation services", for purposes
 42 of ~~IC 31-34-24 and IC 31-37-24;~~ **IC 31-26-6**, means short term, highly

1 intensive services designed to protect, treat, and support the following:

2 (1) A family with a child at risk of placement by enabling the
3 family to remain intact and care for the child at home.

4 (2) A family that adopts or plans to adopt an abused or neglected
5 child who is at risk of placement or adoption disruption by
6 assisting the family to achieve or maintain a stable, successful
7 adoption of the child.

8 SECTION 541. IC 31-9-2-76.6 IS ADDED TO THE INDIANA
9 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
10 [EFFECTIVE UPON PASSAGE]: **Sec. 76.6. "Local office", for**
11 **purposes of this title, refers to a local office established by the**
12 **department to serve a county or a region.**

13 SECTION 542. IC 31-9-2-92.5, AS AMENDED BY P.L.145-2006,
14 SECTION 205, IS AMENDED TO READ AS FOLLOWS
15 [EFFECTIVE JULY 1, 2008]: Sec. 92.5. (a) "Plan", for purposes of
16 ~~IC 31-34-24, IC 31-26-6~~, has the meaning set forth in ~~IC 31-34-24-1.~~
17 **IC 31-26-6-1.**

18 ~~(b) "Plan", for purposes of IC 31-37-24, has the meaning set forth~~
19 ~~in IC 31-37-24-1.~~

20 ~~(c)~~ **(b)** "Plan", for purposes of IC 31-25-4, has the meaning set forth
21 in IC 31-25-4-5.

22 SECTION 543. IC 31-9-2-99.7, AS ADDED BY P.L.145-2006,
23 SECTION 209, IS AMENDED TO READ AS FOLLOWS
24 [EFFECTIVE UPON PASSAGE]: Sec. 99.7. "Public welfare", for
25 purposes of IC 31-25-3, IC 31-25-4, **and** IC 31-26-2, ~~IC 31-26-3,~~
26 ~~IC 31-28-1, IC 31-28-2, and IC 31-28-3,~~ means any form of public
27 welfare or Social Security provided in IC 31-25-3, IC 31-25-4, **or**
28 IC 31-26-2. ~~IC 31-26-3, IC 31-28-1, IC 31-28-2, or IC 31-28-3.~~ The
29 term does not include direct township assistance as administered by
30 township trustees under IC 12-20.

31 SECTION 544. IC 31-9-2-102.5, AS ADDED BY P.L.145-2006,
32 SECTION 210, IS AMENDED TO READ AS FOLLOWS
33 [EFFECTIVE UPON PASSAGE]: Sec. 102.5. "Recipient", for
34 purposes of IC 31-25-3, IC 31-25-4, **and** IC 31-26-2, ~~IC 31-26-3,~~
35 ~~IC 31-28-1, IC 31-28-2, and IC 31-28-3,~~ means a person who has
36 received or is receiving assistance for the person or another person.

37 SECTION 545. IC 31-9-2-103.6 IS ADDED TO THE INDIANA
38 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
39 [EFFECTIVE JULY 1, 2008]: **Sec. 103.6. "Region", for purposes of**
40 **this title, refers to an area in Indiana designated as a region by the**
41 **department. However, for purposes of:**

42 **(1) IC 31-25-2-20, the term refers to a region established**

1 **under IC 31-25-2-20; and**
 2 **(2) IC 31-26-6, the term refers to a service region established**
 3 **under IC 31-26-6-3.**

4 SECTION 546. IC 31-9-2-103.7 IS ADDED TO THE INDIANA
 5 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 6 [EFFECTIVE JULY 1, 2008]: **Sec. 103.7. "Regional services**
 7 **council", for purposes of this title, refers to a regional services**
 8 **council established for a region under IC 31-26-6-4.**

9 SECTION 547. IC 31-9-2-113.7 IS ADDED TO THE INDIANA
 10 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 11 [EFFECTIVE JANUARY 1, 2009]: **Sec. 113.7. "Secure detention**
 12 **facility", for purposes of this title, has the meaning set forth in**
 13 **IC 31-40-1-1.5.**

14 SECTION 548. IC 31-9-2-116.5 IS ADDED TO THE INDIANA
 15 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 16 [EFFECTIVE JANUARY 1, 2009]: **Sec. 116.5. "Services", for**
 17 **purposes of IC 31-40-1, has the meaning set forth in IC 31-40-1-1.5.**

18 SECTION 549. IC 31-9-2-129 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 129. ~~(a)~~ "Team", for
 20 purposes of IC 31-33-3, refers to a community child protection team
 21 appointed under IC 31-33-3.

22 ~~(b) "Team", for purposes of IC 31-34-24, has the meaning set forth~~
 23 ~~in IC 31-34-24-2.~~

24 ~~(c) "Team", for purposes of IC 31-37-24, has the meaning set forth~~
 25 ~~in IC 31-37-24-2.~~

26 SECTION 550. IC 31-9-2-135, AS AMENDED BY P.L.138-2007,
 27 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 UPON PASSAGE]: Sec. 135. (a) "Warrant", for purposes of
 29 IC 31-25-3, IC 31-25-4, **and** IC 31-26-2, ~~IC 31-26-3, IC 31-28-1,~~
 30 ~~IC 31-28-2, and IC 31-28-3,~~ means an instrument that is:

31 (1) the equivalent of a money payment; and
 32 (2) immediately convertible into cash by the payee for the full
 33 face amount of the instrument.

34 (b) "Warrant", for purposes of the Uniform Child Custody
 35 Jurisdiction Act under IC 31-21, has the meaning set forth in
 36 IC 31-21-2-21.

37 SECTION 551. IC 31-19-11-2 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. If the child is a
 39 ward of:

40 (1) a guardian;
 41 (2) an agency; or
 42 ~~(3) an office of family and children;~~

1 **(3) the department;**
 2 the court shall provide for the custody of the child in the adoption
 3 decree.

4 SECTION 552. IC 31-19-11-3 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. ~~Upon receipt~~
 6 ~~of a recommendation from the county office of family and children; (a)~~
 7 If the petition for adoption contained a request for aid; ~~regardless of~~
 8 ~~whether the aid is given; financial assistance~~, the court shall state in
 9 the adoption decree the:

- 10 (1) ~~nature;~~
 11 (2) ~~conditions; and~~
 12 (3) ~~length of time during which aid shall be paid under~~
 13 ~~IC 31-19-26.~~

14 **refer the petition to the department for a determination of**
 15 **eligibility for:**

- 16 (1) **adoption assistance under 42 U.S.C. 673, including**
 17 **applicable federal and state regulations; or**
 18 (2) **an adoption subsidy under IC 31-19-26.5.**

19 **(b) The department shall determine the eligibility of the**
 20 **adoptive child for financial assistance and the amount of**
 21 **assistance, if any, that will be provided.**

22 **(c) The court may not order payment of:**

- 23 (1) **adoption assistance under 42 U.S.C. 673; or**
 24 (2) **any adoption subsidy under IC 31-19-26.5.**

25 SECTION 553. IC 31-19-26.5 IS ADDED TO THE INDIANA
 26 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
 27 [EFFECTIVE JANUARY 1, 2009]:

28 **Chapter 26.5. Adoption Subsidies**

29 **Sec. 1. As used in this chapter, "adoption subsidy" means**
 30 **payments by the department to an adoptive parent of a child with**
 31 **special needs to assist with the cost of care of the child:**

- 32 (1) **after a final decree of adoption of the child has been**
 33 **entered under IC 31-19-11; and**
 34 (2) **during the time the child is residing with and supported by**
 35 **the adoptive parent or parents.**

36 **Sec. 2. As used in this chapter, "child with special needs" means**
 37 **a child who:**

- 38 (1) **is a hard to place child; and**
 39 (2) **meets the requirements of a special needs child, as**
 40 **specified in 42 U.S.C. 673(c) and the rules of the department**
 41 **applicable to those requirements.**

42 **Sec. 3. The department may make payments of adoption subsidy**

1 under this chapter for the benefit of a child with special needs if the
2 department has:

3 (1) either:

4 (A) entered into a written agreement with the adoptive
5 parent or parents, before or at the time the court enters a
6 final decree of adoption under IC 31-19-11-1, that specifies
7 the amount, terms, and conditions of the adoption
8 assistance payments; or

9 (B) received a written final order in an administrative
10 appeal in accordance with section 12(4) of this chapter
11 concluding that the adoptive parents are eligible for a
12 subsidy payable under this chapter and determining the
13 appropriate subsidy amount;

14 (2) determined that sufficient funds are available in the
15 adoption assistance account of the state general fund, and can
16 reasonably be anticipated to be available in that account
17 during the term of the agreement or order, to make the
18 payments as specified in the agreement or order; and

19 (3) determined that the child is not eligible for adoption
20 assistance under 42 U.S.C. 673.

21 **Sec. 4. If the department determines that sufficient funds are**
22 **not or will not be available in the adoption subsidy account**
23 **established under this chapter to make adoption assistance**
24 **payments to adoptive parents of all children who may be eligible**
25 **for a subsidy payable under this chapter, the department may, in**
26 **accordance with procedures established by rules:**

27 (1) approve new adoption subsidy agreements only for the
28 benefit of children for whom the department has wardship
29 responsibility at the time the adoption petition is filed; or

30 (2) give priority to funding new adoption subsidy agreements
31 for children for whom the department has had wardship
32 responsibility.

33 **Sec. 5. The amount of adoption subsidy payments under this**
34 **chapter may not exceed the amount that would be payable by the**
35 **department for the monthly cost of care of the adopted child in a**
36 **foster family home at the time:**

37 (1) the adoption subsidy agreement is made; or

38 (2) the subsidy is payable under the terms of the agreement;
39 whichever is greater.

40 **Sec. 6. (a) In addition to the adoption subsidy payments**
41 **determined under section 3 of this chapter, the department may**
42 **make additional payments for medical or psychological care or**

1 **treatment of the adoptive child if all the following conditions exist:**

2 **(1) The child is a child with special needs, based in whole or in**
 3 **part on a physical, a mental, an emotional, or a medical**
 4 **condition that:**

5 **(A) existed before the filing of the adoption petition; or**

6 **(B) is causally related to specific conditions that existed or**
 7 **events that occurred before the filing of the adoption**
 8 **petition;**

9 **as determined by a physician or psychologist licensed in**
 10 **Indiana.**

11 **(2) The child's adoptive parent has applied to the department,**
 12 **in the form and manner specified by the department, for**
 13 **assistance in payment of the cost of special services that the**
 14 **child needs to remedy or ameliorate the condition or**
 15 **conditions identified in subdivision (1).**

16 **(3) The department determines that:**

17 **(A) the services required are not and will not be covered by**
 18 **either:**

19 **(i) private health insurance available to the child or**
 20 **adoptive parent; or**

21 **(ii) the Medicaid program in Indiana or the state where**
 22 **the child currently resides; and**

23 **(B) payment of the cost of the required services without**
 24 **assistance will cause a significant financial burden and**
 25 **hardship to the adoptive family.**

26 **(4) Sufficient funds are available in the adoption assistance**
 27 **account to cover the cost of additional assistance provided**
 28 **under this section.**

29 **(b) A determination by the department under this section is not**
 30 **subject to administrative review or appeal, unless specifically**
 31 **authorized by rule of the department under section 12(4) of this**
 32 **chapter, but is subject to judicial review as provided in IC 4-21.5-5.**

33 **Sec. 7. An adoptive child who is:**

34 **(1) a child with special needs based on a medical, a physical,**
 35 **a mental, or an emotional condition that existed before the**
 36 **filing of the adoption petition; and**

37 **(2) the beneficiary of an agreement for adoption subsidy**
 38 **under this chapter;**

39 **is eligible for Medicaid.**

40 **Sec. 8. (a) As a condition for continuation of subsidy payments**
 41 **under the agreement, the department may require the adoptive**
 42 **parents to submit a verified report, annually or at a time or times**

1 specified in the agreement or by rule, stating:

- 2 (1) the location of the parents;
 3 (2) the location and condition of the child; and
 4 (3) any additional information required by rule of the
 5 department or the agreement.

6 (b) The department may confirm the accuracy and veracity of
 7 the report from any reliable sources of information concerning the
 8 adoptive family and child, including any governmental or private
 9 agency that serves the area in which the child resides.

10 (c) If the report or information received by the department
 11 indicates a substantial change in the conditions that existed when
 12 the adoption subsidy agreement was signed, the department may,
 13 after notice to the adoptive parent or parents, modify or
 14 discontinue the adoption subsidy payments provided in the
 15 agreement.

16 **Sec. 9. (a)** Except as provided in this section, the term of any
 17 adoption subsidy agreement under this chapter, including any
 18 extension of the original term, ends when any of the following
 19 events occurs:

- 20 (1) The child becomes eighteen (18) years of age.
 21 (2) The child becomes emancipated.
 22 (3) The adoptive parent or parents are no longer providing
 23 financial support to the child.
 24 (4) The child dies.
 25 (5) The child's adoption is terminated.

26 (b) The department may continue the adoption subsidy
 27 payments, in amounts determined by agreement among the
 28 department, the child, and the adoptive parents, during a time
 29 after the child becomes eighteen (18) years of age and before the
 30 child becomes twenty-one (21) years of age if:

- 31 (1) either:
 32 (A) the child is enrolled in:
 33 (i) a secondary school;
 34 (ii) a public or private institution of higher education; or
 35 (iii) a course of career or technical education leading to
 36 gainful employment; or
 37 (B) the child needs continuing support and assistance for
 38 a physical, a medical, a mental, or an emotional condition
 39 that limits or prevents the child from becoming
 40 self-supporting; and
 41 (2) the adoptive parent or parents:
 42 (A) provide the principal source of financial support for

1 the child's room, board, medical care, and other necessary
 2 living expenses; and
 3 **(B) are entitled to claim the child as a dependent on their**
 4 **federal or state income tax return or returns for the year**
 5 **in which the continued subsidy payments are made.**

6 **Sec. 10. An adoption assistance account is established within the**
 7 **state general fund for the purpose of funding adoption subsidy**
 8 **payments under this chapter and the state's share of adoption**
 9 **assistance payments under 42 U.S.C. 673. The account consists of:**

- 10 **(1) amounts specifically appropriated to the department by**
 11 **the general assembly for adoption assistance;**
 12 **(2) amounts allocated by the department to the adoption**
 13 **assistance account from the funds available to the**
 14 **department; and**
 15 **(3) any other amounts contributed or paid to the department**
 16 **for adoption assistance under this chapter.**

17 **Sec. 11. (a) In determining the availability of funds in the**
 18 **adoption assistance account for payments of adoption subsidies**
 19 **under this chapter, the department shall give priority to payments**
 20 **required by court orders for county adoption subsidies entered**
 21 **under IC 31-19-26 (before its repeal).**

22 **(b) The provisions of this chapter applicable to continuation,**
 23 **modification, or termination of adoption subsidy payments shall**
 24 **apply after January 1, 2009, to county adoption subsidy orders**
 25 **entered under IC 31-19-26 (before its repeal).**

26 **Sec. 12. The department shall adopt rules under IC 4-22-2, as**
 27 **needed, to carry out this chapter. The rules must include at least**
 28 **the following subjects:**

- 29 **(1) The application and determination process for subsidies or**
 30 **other assistance provided under this chapter.**
 31 **(2) The standards for determination of a child with special**
 32 **needs.**
 33 **(3) The process for determining the duration, extension,**
 34 **modification, and termination of agreements, as provided in**
 35 **sections 8 and 9 of this chapter.**
 36 **(4) The procedure for administrative review and appeal of**
 37 **determinations made by the department under this chapter.**
 38 **(5) The procedure for determining availability of funds for**
 39 **new subsidy agreements and continuation of existing**
 40 **agreements or orders under this chapter and IC 31-19-26**
 41 **(before its repeal), including any funding limitations or**
 42 **priorities as provided in sections 4 and 11 of this chapter.**

1 **Sec. 13. This chapter does not affect:**

- 2 **(1) the legal status of an adoptive child;**
 3 **(2) the rights and responsibilities of the adoptive parents as**
 4 **provided by law; or**
 5 **(3) the eligibility of an adoptive child or adoptive parents for**
 6 **adoption assistance under Title IV-E of the Social Security**
 7 **Act (42 U.S.C. 673), federal and state regulations applicable**
 8 **to the Title IV-E adoption assistance program, or**
 9 **determination of the amount of any assistance provided by the**
 10 **department through the Title IV-E adoption assistance**
 11 **program.**

12 SECTION 554. IC 31-25-2-2.5 IS ADDED TO THE INDIANA
 13 CODE AS A NEW SECTION TO READ AS FOLLOWS
 14 [EFFECTIVE UPON PASSAGE]: **Sec. 2.5. The following are not**
 15 **personally liable, except to the state, for an official act done or**
 16 **omitted in connection with performance of duties under this title:**

- 17 **(1) The director of the department.**
 18 **(2) Other officers and employees of the department.**

19 SECTION 555. IC 31-25-2-5, AS ADDED BY P.L.145-2006,
 20 SECTION 271, IS AMENDED TO READ AS FOLLOWS
 21 [EFFECTIVE JULY 1, 2008]: ~~Sec. 5. (a) This section applies after~~
 22 ~~June 30, 2008.~~

23 ~~(b) A child protection caseworker or a child welfare caseworker may~~
 24 ~~not be assigned work that exceeds the following maximum caseload~~
 25 ~~levels at any time: The department shall ensure that the department~~
 26 ~~maintains staffing levels of family case managers so that each~~
 27 ~~county has enough family case managers to allow caseloads to be~~
 28 ~~at not more than:~~

- 29 ~~(1) For caseworkers assigned only initial assessments, including~~
 30 ~~investigations of an allegation of child abuse or neglect, twelve~~
 31 ~~(12) active cases per month per caseworker. relating to initial~~
 32 ~~assessments, including investigations of an allegation of child~~
 33 ~~abuse or neglect; or~~
 34 ~~(2) For caseworkers assigned only ongoing cases, seventeen (17)~~
 35 ~~active children per caseworker. monitored and supervised in~~
 36 ~~active cases relating to ongoing services.~~
 37 ~~(3) For caseworkers assigned a combination of initial~~
 38 ~~assessments, including investigations of an allegation of child~~
 39 ~~abuse or neglect, and ongoing cases under subdivisions (1) and~~
 40 ~~(2), four (4) investigations and ten (10) active ongoing cases per~~
 41 ~~caseworker.~~

42 ~~(c)~~ **(b) The department shall comply with the maximum caseload**

1 ratios described in subsection ~~(b)~~: **(a)**.

2 SECTION 556. IC 31-25-2-7, AS ADDED BY P.L.145-2006,
3 SECTION 271, IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2008]: Sec. 7. **(a)** The department is responsible
5 for the following:

- 6 (1) Providing child protection services under this article.
7 (2) Providing and administering child abuse and neglect
8 prevention services.
9 (3) Providing and administering child services. ~~(as defined in~~
10 ~~IC 12-19-7-1)~~.
11 (4) Providing and administering family services.
12 (5) Providing family preservation services under IC 31-26-5.
13 (6) Regulating and licensing the following under IC 31-27:
14 (A) Child caring institutions.
15 (B) Foster family homes.
16 (C) Group homes.
17 (D) Child placing agencies.
18 (7) Administering the state's plan for the administration of Title
19 IV-D of the federal Social Security Act (42 U.S.C. 651 et seq.).
20 (8) Administering foster care services.
21 (9) Administering independent living services (as described in 42
22 U.S.C. 677 et seq.).
23 (10) Administering adoption services.
24 **(11) Certifying and providing grants to the youth services**
25 **bureaus under IC 31-26-1.**
26 **(12) Administering the project safe program.**
27 **(13) Paying for programs and services as provided under**
28 **IC 31-40.**

29 **(b) This chapter does not authorize or require the department**
30 **to:**

- 31 **(1) investigate or report on proceedings under IC 31-17-2; or**
32 **(2) otherwise monitor child custody or visitation in dissolution**
33 **of marriage proceedings.**

34 **(c) This chapter does not authorize or require the department**
35 **to:**

- 36 **(1) conduct home studies; or**
37 **(2) otherwise participate in guardianship proceedings under**
38 **IC 29-3;**

39 **other than those over which the juvenile court has jurisdiction**
40 **under IC 29-3-2-1(c) or IC 31-30-1-1(10).**

41 SECTION 557. IC 31-25-2-19, AS ADDED BY P.L.145-2006,
42 SECTION 271, IS AMENDED TO READ AS FOLLOWS

1 [EFFECTIVE JANUARY 1, 2009]: Sec. 19. (a) The department may
2 charge the following adoption fees:

3 (1) An adoption placement fee that may not exceed the actual
4 costs incurred by the ~~county office~~ **department** for medical
5 expenses of children and mothers.

6 (2) A fee that does not exceed the time and travel costs incurred
7 by the ~~county office~~ **department** for home study and investigation
8 concerning a contemplated adoption.

9 (b) Fees charged under this section shall be deposited ~~in a separate~~
10 **account** in the ~~county family and children child~~ trust clearance ~~fund~~
11 **account** established under ~~IC 12-19-1-16~~ **IC 31-25-2-20.2**. Money
12 deposited under this subsection shall be expended by the department
13 for the following purposes without further appropriation:

14 (1) The care of children whose adoption is contemplated.

15 (2) The improvement of adoption services provided by the
16 department.

17 (c) The director may adopt rules governing the expenditure of
18 money under this section.

19 (d) The department may ~~provide written authorization allowing a~~
20 ~~county office to~~ reduce or waive charges authorized under this section
21 in hardship cases or for other good cause after investigation. The
22 department may adopt forms on which the written authorization is
23 provided.

24 SECTION 558. IC 31-25-2-20.1 IS ADDED TO THE INDIANA
25 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
26 [EFFECTIVE JANUARY 1, 2009]: **Sec. 20.1. (a) The department**
27 **may receive and administer a gift, devise, or bequest of personal**
28 **property, including the income from real property, that is:**

29 (1) **to or for the benefit of a home or an institution in which**
30 **formerly abused or neglected children are cared for under the**
31 **supervision of the department; or**

32 (2) **for the benefit of children who are committed to the care**
33 **or supervision of the department.**

34 (b) **The department may invest or reinvest money received**
35 **under this section in the same types of securities in which life**
36 **insurance companies are authorized by law to invest the money of**
37 **the life insurance companies.**

38 (c) **The following shall be kept in the child trust clearance**
39 **account established under section 20.2 of this chapter and may not**
40 **be commingled with any other fund or account or with money**
41 **received from taxation:**

42 (1) **All money received by the department under this section.**

1 **(2) All money, proceeds, or income realized from real**
 2 **property or other investments.**

3 **(d) Subject to the approval of the director, money described in**
 4 **subsection (c)(1) or (c)(2) may be expended by the department in**
 5 **any manner consistent with the purposes of the child trust**
 6 **clearance account and with the intention of the donor.**

7 SECTION 559. IC 31-25-2-20.2 IS ADDED TO THE INDIANA
 8 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 9 [EFFECTIVE JANUARY 1, 2009]: **Sec. 20.2. (a) This section does**
 10 **not apply to:**

11 **(1) money received before January 1, 2009, to reimburse the**
 12 **county family and children's fund for expenditures made**
 13 **from the appropriations of the counties; or**

14 **(2) money received after December 31, 2008, to reimburse the**
 15 **department for expenditures made by the department for**
 16 **child services.**

17 **(b) The department may receive and administer money**
 18 **available to or for the benefit of a person receiving payments or**
 19 **services from the department. The following apply to all money**
 20 **received under this section:**

21 **(1) The money shall be kept in a special account known as the**
 22 **child trust clearance account and may not be commingled**
 23 **with any other money.**

24 **(2) The money may be expended by the department in any**
 25 **manner consistent with the following:**

26 **(A) The purpose of the child trust clearance account or**
 27 **with the intention of the donor of the money.**

28 **(B) Indiana law.**

29 SECTION 560. IC 31-26-2-10, AS ADDED BY P.L.145-2006,
 30 SECTION 272, IS AMENDED TO READ AS FOLLOWS
 31 [EFFECTIVE JANUARY 1, 2009]: **Sec. 10. (a) Upon the completion**
 32 **of an investigation under section 9 of this chapter, the ~~county office~~**
 33 **department shall do the following:**

34 **(1) Determine whether the child is eligible for assistance under**
 35 **this chapter and the department's rules.**

36 **(2) Determine the amount of the assistance and the date on which**
 37 **the assistance is to begin.**

38 **(3) Make an award, including any subsequent modification of the**
 39 **award, with which the department shall comply until the award or**
 40 **modified award is vacated.**

41 **(4) Notify the applicant and the department of the county office's**
 42 **decision in writing.**

1 (b) The ~~county office~~ **department** shall provide assistance to the
 2 recipient at least monthly upon warrant of the ~~county~~ auditor of **state**.
 3 The assistance must be:

- 4 (1) made from the county family and children's fund and
 5 (2) based on a verified schedule of the recipients:

6 (c) The director of the county office shall prepare and verify the
 7 amount payable to the recipient, in relation to the awards made by the
 8 county office. The department shall prescribe the form on which the
 9 schedule under subsection (b)(2) must be filed.

10 SECTION 561. IC 31-26-3.5 IS ADDED TO THE INDIANA
 11 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 2008]:

13 **Chapter 3.5. Child Welfare Programs**

14 **Sec. 1. As used in this chapter, "child welfare program" means**
 15 **a program or an activity that is:**

- 16 (1) not a component of child services provided to or for the
 17 benefit of a particular child or family; and
 18 (2) designed to serve groups or categories of children or
 19 families in a community for the purposes described in section
 20 2 of this chapter.

21 **Sec. 2. A child welfare program may be established and funded**
 22 **by the department for any of the following purposes:**

- 23 (1) Protecting and promoting the welfare of children in a
 24 community who are, or are likely to be, at risk of becoming
 25 homeless, neglected, or abused due to lack of adequate or
 26 appropriate parental support or supervision, in order to
 27 reduce the likelihood that the children will become wards of
 28 a juvenile court or the department.
 29 (2) Preventing, remedying, or assisting in the solution of
 30 problems that may result in the neglect, abuse, exploitation,
 31 or delinquency of children.
 32 (3) Preventing unnecessary separation of children from their
 33 families by identifying family problems, assisting in the
 34 resolution of family problems, and preventing the breakup of
 35 families whenever prevention of child removal is possible and
 36 desirable.
 37 (4) Providing services targeted to the assistance of children
 38 who are developmentally or physically disabled and their
 39 families, for the purposes of prevention of potential abuse,
 40 neglect, or abandonment of those children, and enabling the
 41 children to receive adequate family support and preparation
 42 to become self-supporting to the extent feasible.

1 **(5) Providing family preservation services or family support**
2 **services (both as defined in 42 U.S.C. 629a) for families and**
3 **children who are not currently receiving individually designed**
4 **services provided or funded by the department through an**
5 **open juvenile court child in need of services or delinquency**
6 **case.**

7 **Sec. 3. (a) An application to establish a new child welfare**
8 **program, or to continue or modify an existing child welfare**
9 **program, may be submitted by a court, county executive, private**
10 **nonprofit agency or organization, or an interested person based on**
11 **guidelines and instructions issued by the department. Except as**
12 **provided in subsection (b), the application shall be transmitted to**
13 **the regional services council or councils for the county, region, or**
14 **geographic area of Indiana that the applicant proposes to serve.**
15 **Each regional services council must review and submit its**
16 **recommendations to the director in conformity with procedures**
17 **established by the department.**

18 **(b) An application to establish, continue, or modify a program**
19 **that will operate on a statewide basis shall be submitted directly to**
20 **the director of the department for review and evaluation.**

21 **Sec. 4. A child welfare program must be approved by the**
22 **director of the department or the director's designee. The**
23 **director's approval shall specify the period for which operation of**
24 **the program is approved and the procedure for submission of any**
25 **request for continuation, extension, or modification of the**
26 **approved program. The department may not pay for the costs of**
27 **any programs that have not been approved by the director.**

28 **Sec. 5. The department shall establish policies and procedures**
29 **for periodic review and evaluation of approved child welfare**
30 **programs, including evaluation of the effectiveness and results of**
31 **the program activities, as part of the consideration of any**
32 **application to continue or modify the program.**

33 **Sec. 6. (a) A child welfare program account is established in the**
34 **state general fund to receive money for establishment, operation,**
35 **or support of child welfare programs. Receipts credited to the child**
36 **welfare program account may be derived from the following**
37 **sources:**

38 **(1) Any appropriation made by the general assembly that is**
39 **specifically designated for child welfare programs.**

40 **(2) Any part of the appropriation to the department that is set**
41 **aside and allocated by the department for child welfare**
42 **programs, at the discretion of the director.**

1 **(3) Any part of federal grant funds received by the**
 2 **department through Title IV-B Parts 1 and 2 of the Social**
 3 **Security Act (42 U.S.C. 620 et seq.) that is allocated by the**
 4 **department for child welfare programs under this chapter at**
 5 **the discretion of the director, subject to the terms and**
 6 **conditions of the grant.**

7 **(4) Any gifts received by the department from individuals or**
 8 **nongovernmental organizations, for purposes of child welfare**
 9 **programs. The department may receive and administer any**
 10 **gifts earmarked for specifically designated child welfare**
 11 **programs, in accordance with the terms of the gift.**

12 **(b) Any appropriation made by the general assembly for the**
 13 **child welfare program account remains in the child welfare**
 14 **program account until expended and does not revert to the state**
 15 **general fund at the expiration of the state fiscal year for which the**
 16 **appropriation was made.**

17 **Sec. 7. The department may adopt rules under IC 4-22-2 that**
 18 **are necessary or appropriate to implement this chapter.**

19 SECTION 562. IC 31-26-6 IS ADDED TO THE INDIANA CODE
 20 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2008]:

22 **Chapter 6. Regional Service Strategic Plans**

23 **Sec. 1. As used in this chapter, "plan" includes a regional**
 24 **services strategic plan to achieve the purposes described in section**
 25 **5 of this chapter and any implementation strategy, revision,**
 26 **addition, or update of the plan, as described in section 12(a) of this**
 27 **chapter.**

28 **Sec. 2. As used in this chapter, "regional services council"**
 29 **means a council appointed as provided in section 7 of this chapter.**

30 **Sec. 3. As used in this chapter, "service region" means an area**
 31 **of Indiana consisting of one (1) or more counties.**

32 **Sec. 4. (a) Each county shall participate in a regional services**
 33 **council established under this chapter for the service region in**
 34 **which the county is located.**

35 **(b) The department shall determine the county or counties that**
 36 **comprise each service region. A county may not be divided when**
 37 **establishing a service region.**

38 **Sec. 5. Each regional services council shall develop a biennial**
 39 **regional services strategic plan that is tailored to provide services**
 40 **targeted to the individual needs of children who:**

41 **(1) have been either:**

42 **(A) adjudicated as, or alleged in a proceeding initiated**

- 1 under IC 31-34 or IC 31-37 to be, children in need of
 2 services or delinquent children; or
 3 **(B) identified by the department, based on information**
 4 **received from:**
 5 (i) a school;
 6 (ii) a social service agency;
 7 (iii) a court;
 8 (iv) a probation department;
 9 (v) the child's parent or guardian; or
 10 (vi) an interested person in the community having
 11 knowledge of the child's environment and family
 12 circumstances;
 13 and after an informal investigation, as substantially at risk
 14 of becoming children in need of services or delinquent
 15 children; and
 16 (2) have been referred to the department by, or with the
 17 consent of, the child's parent, guardian, or custodian, for
 18 services to be provided through the plan based on an
 19 individual case plan for the child.

20 **Sec. 6. (a) Each regional services council shall, according to**
 21 **guidelines and policies established by the department, include in its**
 22 **plan an evaluation of local child welfare service needs and a**
 23 **determination of appropriate delivery mechanisms. The policies**
 24 **shall provide an opportunity for local services providers to be**
 25 **represented in the evaluation of local child welfare service needs.**
 26 **In addition, the regional services council shall take public**
 27 **testimony regarding local service needs and system changes.**

28 **(b) The council shall also recommend in the plan, or any**
 29 **revision, addition, or update relating to implementation of a plan**
 30 **under section 12(a) of this chapter, the allocation and distribution**
 31 **among service providers of funds that:**

- 32 (1) the department allocates to the service region; and
 33 (2) are used to pay for the expenses of child welfare programs
 34 and child services administered by the department within the
 35 region.

36 **Sec. 7. (a) If the service region consists of at least three (3)**
 37 **counties, the regional services council is composed of the following**
 38 **members appointed from the service region:**

- 39 (1) The regional manager, who must be an employee of the
 40 department.
 41 (2) Three (3) members who are juvenile court judges or their
 42 designees.

- 1 **(3) Three (3) local office directors.**
- 2 **(4) Two (2) supervisors of family case managers.**
- 3 **(5) Two (2) family case managers.**
- 4 **(6) Two (2) licensed foster parents.**
- 5 **(7) One (1) guardian ad litem or court appointed special**
6 **advocate.**
- 7 **(8) One (1) member who is a prosecuting attorney or the**
8 **prosecuting attorney's designee.**
- 9 **(9) One (1) individual who:**
- 10 **(A) is at least sixteen (16) and less than twenty-five (25)**
11 **years of age;**
- 12 **(B) is a resident of the service region;**
- 13 **(C) has received or is receiving services through funds**
14 **provided, directly or indirectly, through the department;**
15 **and**
- 16 **(D) will serve in a nonvoting capacity.**
- 17 **(b) If the service region consists of one (1) or two (2) counties,**
18 **the regional services council must include at least the following**
19 **members from the service region:**
- 20 **(1) Three (3) employees of the department, including the**
21 **regional manager.**
- 22 **(2) One (1) juvenile court judge or judicial hearing officer.**
- 23 **(3) Two (2) members who are designees of a juvenile court**
24 **judge.**
- 25 **(4) Two (2) family case managers supervisors.**
- 26 **(5) Two (2) family case managers.**
- 27 **(6) One (1) licensed foster parent.**
- 28 **(7) One (1) person from each category described in subsection**
29 **(a)(7), (a)(8), and (a)(9).**
- 30 **(c) The director shall appoint the members of the regional**
31 **services council with the exception of judges or judicial hearing**
32 **officers and prosecuting attorneys or their respective designees.**
- 33 **(d) The members of the regional services council described in**
34 **subsections (a)(2), (b)(2), and (b)(3) shall be selected by the juvenile**
35 **court judge or judges in the service region.**
- 36 **(e) The member of the regional services council described in**
37 **subsection (a)(8) shall be selected by the prosecuting attorneys in**
38 **the counties comprising the service region.**
- 39 **(f) Each member of the regional services council shall serve at**
40 **the pleasure of the member's appointing authority.**
- 41 **Sec. 8. (a) The regional manager shall convene an organizational**
42 **meeting of the members of a regional services council appointed**

1 under section 7 of this chapter.

2 (b) The regional manager shall serve as the chairperson of the
3 council. The council shall select one (1) of its members as vice
4 chairperson.

5 Sec. 9. In preparing the plan under section 5 of this chapter, a
6 regional services council shall review and consider existing publicly
7 and privately funded programs that are available or that could be
8 made available in the regional services council's service region to
9 provide supportive services to or for the benefit of children
10 described in section 5 of this chapter without removing the child
11 from the family home, including programs funded through the
12 following:

13 (1) Title IV-B of the Social Security Act (42 U.S.C. 620 et
14 seq.).

15 (2) Title IV-E of the Social Security Act (42 U.S.C. 670 et
16 seq.).

17 (3) Title XX of the Social Security Act (42 U.S.C. 1397 et seq.).

18 (4) The Child Abuse Prevention and Treatment Act (42 U.S.C.
19 5106 et seq.).

20 (5) Special education programs under IC 20-35-6-2.

21 (6) All programs designed to prevent child abuse, neglect, or
22 delinquency, or to enhance child welfare and family
23 preservation administered by, or through funding provided
24 by, the department, county offices, prosecuting attorneys, or
25 juvenile courts, including programs funded under
26 IC 31-26-3.5 and IC 31-40.

27 (7) A child advocacy fund under IC 12-17-17.

28 Sec. 10. A regional services council may include in its plan a
29 program for provision of family preservation services that:

30 (1) is or will be in effect in the regional services council's
31 service region;

32 (2) includes services for a child less than eighteen (18) years
33 of age who reasonably may be expected to be considered for
34 out-of-home placement under IC 31-34 or IC 31-37 as a result
35 of:

36 (A) abuse or neglect;

37 (B) emotional disturbance; or

38 (C) delinquency adjudication; and

39 (3) addresses all the objectives of family preservation services.

40 Sec. 11. (a) Each regional services council shall transmit to the
41 director each plan it develops and approves. The council shall
42 transmit its biennial plan described in section 5 of this chapter to

1 the director not later than February 2 of each even-numbered year.

2 (b) Not later than sixty (60) days after receiving the plan, the
3 director of the department or the director's designee shall do one
4 (1) of the following:

5 (1) Approve the plan as submitted by the council.

6 (2) Approve the plan with amendments, modifications, or
7 revisions.

8 (3) Return the plan to the council with directions concerning:

9 (A) subjects for further study and reconsideration; and

10 (B) resubmission of a revised plan.

11 Sec. 12. (a) A regional services council shall meet at least
12 quarterly to do the following:

13 (1) Develop, review, or revise a strategy for implementation
14 of an approved plan that identifies:

15 (A) the manner in which prevention and early intervention
16 services will be provided or improved;

17 (B) how local collaboration will improve children's
18 services; and

19 (C) how different funds can be used to serve children and
20 families more effectively.

21 (2) Reorganize as needed and select its vice chairperson for
22 the ensuing year.

23 (3) Review the implementation of the plan and prepare
24 revisions, additions, or updates of the plan that the regional
25 services council considers necessary or appropriate to
26 improve the quality and efficiency of early intervention child
27 welfare services provided in accordance with the plan.

28 (b) The chairperson or vice chairperson of a regional services
29 council may convene any additional meetings of the regional
30 services council that are, in the chairperson's or vice chairperson's
31 opinion, necessary or appropriate.

32 (c) A majority of the voting members of the regional services
33 council appointed under section 7 of this chapter constitutes a
34 quorum for the transaction of official business that includes taking
35 final action (as defined in IC 5-14-1.5-2(g)). The regional services
36 council may hold a meeting in the absence of a quorum to discuss
37 any items of public business related to its responsibilities and
38 functions as described in this chapter, without taking final action.

39 (d) A judicial officer or prosecuting attorney who is a member
40 of the regional services council under section 7 of this chapter may
41 designate in writing a person as the member's representative or
42 proxy to attend any meeting of the council specified in the

1 designation. Any designee under this subsection shall be a voting
2 member of the council and be included for purposes of a quorum
3 under subsection (c).

4 (e) Any department employee who is a member of the regional
5 services council under section 7 of this chapter may designate in
6 writing a person as the member's representative or proxy to attend
7 any meeting of the council specified in the designation. Any
8 designee under this subsection shall be a voting member of the
9 council and be included for purposes of a quorum under subsection
10 (c).

11 (f) All meetings of a regional services council under this chapter
12 are subject to applicable provisions of IC 5-14-1.5.

13 Sec. 13. (a) This section applies to a meeting of a regional
14 services council at which at least four (4) voting members of the
15 council are physically present at the place where the meeting is
16 conducted.

17 (b) A member of the regional services council may participate
18 in a meeting of the council by using a means of communication that
19 allows:

20 (1) all other members participating in the meeting; and

21 (2) all members of the public physically present at the place
22 where the meeting is conducted;

23 to communicate simultaneously with each other during the
24 meeting.

25 (c) A member who participates in a meeting under subsection
26 (b) is considered to be present at the meeting.

27 (d) The memoranda of the meeting prepared under
28 IC 5-14-1.5-4 must state the name of each member who:

29 (1) was physically present at the place where the meeting was
30 conducted;

31 (2) participated in the meeting by using a means of
32 communication described in subsection (b); or

33 (3) was absent.

34 Sec. 14. (a) A regional services council or the regional manager
35 shall transmit copies of the plan, each annual report, each revised
36 plan, and any other report or document described by rule adopted
37 under section 16 of this chapter, to the following:

38 (1) The director.

39 (2) Each department office in the service region.

40 (3) Each juvenile court in the service region.

41 (b) A regional services council shall provide to the department
42 a copy of each plan, annual report, or revised plan transmitted

1 **under subsection (a) to be posted to the department's Internet web**
 2 **site.**

3 **Sec. 15. A regional services council shall publicize to residents**
 4 **of each county in the service region the existence and availability**
 5 **of the plan, including information concerning access to the plan on**
 6 **the department web site.**

7 **Sec. 16. The department may adopt rules under IC 4-22-2 to**
 8 **administer this chapter.**

9 SECTION 563. IC 31-31-8-3 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) The
 11 juvenile court may establish juvenile detention and shelter care
 12 facilities for children, except as provided by IC 31-31-9.

13 (b) The court may contract with other agencies to provide juvenile
 14 detention and shelter care facilities.

15 (c) If the juvenile court operates the juvenile detention and shelter
 16 care facilities, the judge shall appoint staff and determine the budgets.

17 (d) The county shall pay all expenses. The expenses for the juvenile
 18 detention facility shall be paid from the county general fund. ~~Payment~~
 19 ~~of the expenses for the juvenile detention facility may not be paid from~~
 20 ~~the county family and children's fund: established by IC 12-19-7-3.~~

21 SECTION 564. IC 31-31-8-4 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 4. (a) This section
 23 applies to a county having a population of more than one hundred ten
 24 thousand (110,000) but less than one hundred fifteen thousand
 25 (115,000).

26 (b) Notwithstanding section 3 of this chapter, the juvenile court
 27 shall operate a juvenile detention facility or juvenile shelter care
 28 facility established in the county. However, the county legislative body
 29 shall determine the budget for the juvenile detention facility or juvenile
 30 shelter care facility. The expenses for the juvenile detention facility
 31 shall be paid from the county general fund. ~~Payment of the expenses for~~
 32 ~~the juvenile detention facility may not be paid from the county family~~
 33 ~~and children's fund: established by IC 12-19-7-3.~~

34 SECTION 565. IC 31-33-3-1, AS AMENDED BY P.L.234-2005,
 35 SECTION 102, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) **A community child**
 37 **protection team is established in each county.** The community child
 38 protection team is a ~~communitywide~~, **countywide**, multidisciplinary
 39 child protection team. The team must include the following ~~eleven (11)~~
 40 **thirteen (13) members who reside in, or provide services to**
 41 **residents of, the county in which the team is to be formed:**

42 (1) The director of the ~~county local~~ office ~~of family and children~~

- 1 **that provides child welfare services in the county** or the ~~county~~
2 **local** office director's designee.
- 3 (2) Two (2) designees of the juvenile court judge.
- 4 (3) The county prosecuting attorney or the prosecuting attorney's
5 designee.
- 6 (4) The county sheriff or the sheriff's designee.
- 7 (5) Either:
- 8 (A) the president of the county executive in a county not
9 containing a consolidated city or the president's designee; or
- 10 (B) the executive of a consolidated city in a county containing
11 a consolidated city or the executive's designee.
- 12 (6) A director of a court appointed special advocate or guardian
13 ad litem program or the director's designee in the county in which
14 the team is to be formed.
- 15 (7) Either:
- 16 (A) a public school superintendent or the superintendent's
17 designee; or
- 18 (B) a director of a local special education cooperative or the
19 director's designee.
- 20 (8) Two (2) persons, each of whom is a physician or nurse, with
21 experience in pediatrics or family practice.
- 22 (9) ~~One (1) citizen~~ **Two (2) residents** of the ~~community~~ **county**.
- 23 **(10) The chief law enforcement officer of the largest law**
24 **enforcement agency in the county (other than the county**
25 **sheriff) or the chief law enforcement officer's designee.**
- 26 (b) The director of the ~~county local~~ office of family and children
27 **servicing the county** shall appoint, subject to the approval of the director
28 of the department, the members of the team under subsection (a)(7),
29 (a)(8), and (a)(9).
- 30 SECTION 566. IC 31-33-3-7 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) The community
32 child protection ~~team's duties may include preparing~~ **team shall**
33 **prepare** a periodic report regarding the child abuse and neglect reports
34 and complaints that the team reviews under this chapter.
- 35 (b) The periodic report may include the following information:
- 36 (1) The number of complaints under section 6 of this chapter that
37 the team receives and reviews each month.
- 38 (2) A description of the child abuse and neglect reports that the
39 team reviews each month, including the following information:
- 40 (A) The scope and manner of the interviewing process during
41 the child abuse or neglect investigation.
- 42 (B) The timeliness of the investigation.

- 1 (C) The number of children removed from the home.
 2 (D) The types of services offered.
 3 (E) The number of child abuse and neglect cases filed with a
 4 court.
 5 (F) The reasons that certain child abuse and neglect cases are
 6 not filed with a court.

7 SECTION 567. IC 31-33-4-1 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. Before February 2
 9 of each ~~odd-numbered~~ **even-numbered** year, each ~~county office of~~
 10 ~~family and children; regional services council~~, after a public hearing,
 11 shall:

- 12 (1) prepare a local plan for the provision of child protection
 13 services; and
 14 (2) submit the plan to:
 15 (A) the director; ~~after consultation with local law enforcement~~
 16 ~~agencies;~~
 17 (B) ~~a~~ **each** juvenile court **within the region;**
 18 (C) the community child protection team as provided for in
 19 IC 31-33-3-1; and
 20 (D) appropriate public or voluntary agencies, including
 21 organizations for the prevention of child abuse or neglect.

22 SECTION 568. IC 31-33-4-2, AS AMENDED BY P.L.145-2006,
 23 SECTION 279, IS AMENDED TO READ AS FOLLOWS
 24 [EFFECTIVE JULY 1, 2008]: Sec. 2. The local plan must describe the
 25 implementation of this article in the ~~county region~~ **by the department,**
 26 ~~and the county office;~~ including the following:

- 27 (1) Organization.
 28 (2) Staffing.
 29 (3) Mode of operations.
 30 (4) Financing of the child protection services.
 31 (5) The provisions made for the purchase of service and
 32 interagency relations.

33 SECTION 569. IC 31-34-4-2, AS AMENDED BY P.L.52-2007,
 34 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JANUARY 1, 2009]: Sec. 2. (a) If a child alleged to be a child in need
 36 of services is taken into custody under an order of the court under this
 37 chapter ~~and the court orders out-of-home placement, the court shall~~
 38 **department is responsible for that placement and care and must**
 39 consider placing the child with a:

- 40 (1) suitable and willing blood or an adoptive relative caretaker,
 41 including a grandparent, an aunt, an uncle, or an adult sibling;
 42 (2) de facto custodian; or

- 1 (3) stepparent;
 2 before considering any other out-of-home placement.
- 3 (b) Before ~~placing the department places~~ a child in need of
 4 services with a blood relative or an adoptive relative caretaker, a de
 5 facto custodian, or a stepparent, ~~the court may order the department to:~~
 6 ~~(1) shall complete a an evaluation based on a home study visit~~
 7 ~~of the relative's home. and~~
 8 ~~(2) provide the court with a placement recommendation.~~
- 9 (c) Except as provided in subsection (e), before placing a child in
 10 need of services in an out-of-home placement, including placement
 11 with a blood or an adoptive relative caretaker, a de facto custodian, or
 12 a stepparent, ~~the court shall order the department to shall~~ conduct a
 13 criminal history check of each person who is currently residing in the
 14 location designated as the out-of-home placement.
- 15 (d) Except as provided in subsection (f), ~~a court the department~~
 16 may not ~~order make~~ an out-of-home placement if a person described
 17 in subsection (c) has:
 18 (1) committed an act resulting in a substantiated report of child
 19 abuse or neglect; or
 20 (2) been convicted of a felony listed in IC 31-27-4-13 or had a
 21 juvenile adjudication for an act that would be a felony listed in
 22 IC 31-27-4-13 if committed by an adult.
- 23 (e) ~~The court is not required to order the department is not required~~
 24 to conduct a criminal history check under subsection (c) if the ~~court~~
 25 ~~orders department makes~~ an out-of-home placement to an entity or a
 26 facility that is not a residence (as defined in IC 3-5-2-42.5) or that is
 27 licensed by the state.
- 28 (f) A court may order ~~or the department may approve~~ an
 29 out-of-home placement if:
 30 (1) a person described in subsection (c) has:
 31 (A) committed an act resulting in a substantiated report of
 32 child abuse or neglect; or
 33 (B) been convicted or had a juvenile adjudication for:
 34 (i) reckless homicide (IC 35-42-1-5);
 35 (ii) battery (IC 35-42-2-1) as a Class C or D felony;
 36 (iii) criminal confinement (IC 35-42-3-3) as a Class C or D
 37 felony;
 38 (iv) arson (IC 35-43-1-1) as a Class C or D felony;
 39 (v) a felony involving a weapon under IC 35-47 or
 40 IC 35-47.5 as a Class C or D felony;
 41 (vi) a felony relating to controlled substances under
 42 IC 35-48-4 as a Class C or D felony; or

1 (vii) a felony that is substantially equivalent to a felony
 2 listed in items (i) through (vi) for which the conviction was
 3 entered in another state; and

4 (2) the court makes a written finding that the person's commission
 5 of the offense, delinquent act, or act of abuse or neglect described
 6 in subdivision (1) is not relevant to the person's present ability to
 7 care for a child, and that the placement is in the best interest of
 8 the child.

9 However, a court **or the department** may not ~~order~~ **make** an
 10 out-of-home placement if the person has been convicted of a felony
 11 listed in IC 31-27-4-13 that is not specifically excluded under
 12 subdivision (1)(B), or has a juvenile adjudication for an act that would
 13 be a felony listed in IC 31-27-4-13 if committed by an adult that is not
 14 specifically excluded under subdivision (1)(B).

15 (g) In making its written finding under subsection (f), the court shall
 16 consider the following:

17 (1) The length of time since the person committed the offense,
 18 delinquent act, or abuse or neglect.

19 (2) The severity of the offense, delinquent act, or abuse or neglect.

20 (3) Evidence of the person's rehabilitation, including the person's
 21 cooperation with a treatment plan, if applicable.

22 SECTION 570. IC 31-34-4-7 IS ADDED TO THE INDIANA
 23 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 24 [EFFECTIVE JANUARY 1, 2009]: **Sec. 7. (a) This section applies to**
 25 **services and programs provided to or on behalf of a child alleged**
 26 **to be a child in need of services at any time before:**

27 (1) **entry of a dispositional decree under IC 31-34-20; or**

28 (2) **approval of a program of informal adjustment under**
 29 **IC 31-34-8.**

30 (b) **Before a juvenile court orders or approves a service, a**
 31 **program, or an out-of-home placement for a child that has not**
 32 **been recommended by the department, the court shall submit the**
 33 **proposed service, program, or placement to the department for**
 34 **consideration. The department shall, within three (3) business days**
 35 **after receipt of the court's proposal, submit to the court a report**
 36 **stating whether the department approves or disapproves the**
 37 **proposed service, program, or placement.**

38 (c) **If the department approves the service, program, or**
 39 **placement recommended by the juvenile court, the court may enter**
 40 **an appropriate order to implement the approved proposal. If the**
 41 **department does not approve a service, program, or placement**
 42 **proposed by the juvenile court, the department may recommend an**

1 alternative service, program, or placement for the child.

2 (d) The juvenile court shall accept the recommendations of the
3 department regarding any predispositional services, programs, or
4 placement for the child, unless the juvenile court finds a
5 recommendation is:

- 6 (1) unreasonable, based on the facts and circumstances of the
7 case; or
8 (2) contrary to the welfare and best interests of the child.

9 (e) If the juvenile court does not accept the recommendations of
10 the department in the report submitted under subsection (b), the
11 court may enter an order that:

- 12 (1) requires the department to provide a specified service,
13 program, or placement until entry of a dispositional decree or
14 until the order is otherwise modified or terminated; and
15 (2) specifically states the reasons why the juvenile court is not
16 accepting the recommendations of the department, including
17 the court's findings under subsection (d).

18 (f) If the juvenile court enters its findings and order under
19 subsection (e), the department may appeal the juvenile court's
20 order under any available procedure provided by the Indiana
21 Rules of Trial Procedure or the Indiana Rules of Appellate
22 Procedure to allow any disputes arising under this section to be
23 decided in an expeditious manner.

24 (g) If the department prevails on appeal, the department shall
25 pay the following costs and expenses incurred by or on behalf of
26 the child before the date of the final decision:

- 27 (1) Any programs or services implemented during the appeal
28 initiated under subsection (f), other than the cost of an
29 out-of-home placement ordered by the juvenile court.
30 (2) Any out-of-home placement ordered by the juvenile court
31 and implemented after entry of the court order of placement,
32 if the juvenile court order includes written findings that the
33 placement is an emergency required to protect the health and
34 welfare of the child.

35 If the court has not made written findings that the placement is an
36 emergency, the county in which the juvenile court is located is
37 responsible for payment of all costs of the placement, including the
38 cost of services and programs provided by the home or facility
39 where the child was placed.

40 SECTION 571. IC 31-34-5-3 IS AMENDED TO READ AS
41 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) The
42 juvenile court shall release the child to the child's parent, guardian, or

1 custodian. However, the court may order the child detained if the court
2 makes written findings of fact upon the record of probable cause to
3 believe that the child is a child in need of services and that:

- 4 (1) detention is necessary to protect the child;
5 (2) the child is unlikely to appear before the juvenile court for
6 subsequent proceedings;
7 (3) the child has a reasonable basis for requesting that the child
8 not be released;
9 (4) the parent, guardian, or custodian:
10 (A) cannot be located; or
11 (B) is unable or unwilling to take custody of the child; or
12 (5) consideration for the safety of the child precludes the use of
13 family services to prevent removal of the child.

14 **(b) The juvenile court shall include in any order approving or**
15 **requiring detention of a child all findings and conclusions required**
16 **under:**

- 17 (1) applicable provisions of Title IV-E of the federal Social
18 Security Act (42 U.S.C. 670 et seq.); or
19 (2) any applicable federal regulation, including 45 CFR
20 1356.21;

21 **as a condition of eligibility of a child in need of services for**
22 **assistance under Title IV-E or any other federal law.**

23 **(c) Inclusion in a juvenile court order of language approved and**
24 **recommended by the judicial conference of Indiana, in relation to:**

- 25 (1) removal from the child's home; or
26 (2) detention;

27 **of a child who is alleged to be, or adjudicated as, a child in need of**
28 **services constitutes compliance with subsection (b).**

29 SECTION 572. IC 31-34-6-2 IS AMENDED TO READ AS
30 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. A **juvenile**
31 **court or the department** shall consider placing a child alleged to be a
32 child in need of services with an appropriate family member of the
33 child before considering any other placement for the child.

34 SECTION 573. IC 31-34-6-3 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. A **juvenile**
36 **court or the department** may not place a child in:

- 37 (1) a community based correctional facility for children;
38 (2) a juvenile detention facility;
39 (3) a secure facility;
40 (4) a secure private facility; or
41 (5) a shelter care facility;

42 that is located outside the child's county of residence unless placement

1 of the child in a comparable facility with adequate services located in
 2 the child's county of residence is unavailable or the child's county of
 3 residence does not have an appropriate comparable facility with
 4 adequate services.

5 SECTION 574. IC 31-34-7-2, AS AMENDED BY P.L.145-2006,
 6 SECTION 293, IS AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2008]: Sec. 2. The intake officer shall send to
 8 ~~the prosecuting attorney or~~ the attorney for the department a copy of
 9 the preliminary inquiry. The intake officer shall recommend whether
 10 to:

- 11 (1) file a petition;
- 12 (2) informally adjust the case;
- 13 (3) refer the child to another agency; or
- 14 (4) dismiss the case.

15 SECTION 575. IC 31-34-8-1 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. **(a)** After the
 17 preliminary inquiry and upon approval by the juvenile court, the intake
 18 officer may implement a program of informal adjustment if the officer
 19 has probable cause to believe that the child is a child in need of
 20 services.

21 **(b) If the juvenile court denies a program of informal**
 22 **adjustment, the court shall state its reasons for the denial. The**
 23 **reasons may include that:**

- 24 **(1) the juvenile court finds no probable cause to believe that**
 25 **the child is a child in need of services; or**
- 26 **(2) the juvenile court finds that the coercive intervention of**
 27 **the juvenile court is required.**

28 **(c) If the juvenile court does not act to either:**

- 29 **(1) approve or deny a program of informal adjustment; or**
- 30 **(2) set a hearing date;**

31 **within ten (10) days of its submission to the juvenile court, the**
 32 **program of informal adjustment is considered approved.**

33 **(d) If:**

- 34 **(1) the juvenile court sets a hearing under subsection (c); and**
- 35 **(2) the hearing is not concluded and action taken to approve**
 36 **or deny the program of informal adjustment within thirty (30)**
 37 **days of the submission of the program to the juvenile court;**
 38 **the program of informal adjustment is considered approved.**

39 SECTION 576. IC 31-34-8-3 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) Upon the filing
 41 of a petition for compliance and after notice and a hearing on the
 42 petition for compliance, the juvenile court may order the parent,

1 guardian, or custodian of a child to participate in a program of informal
 2 adjustment ~~approved by the court~~ **implemented** under section 1 of this
 3 chapter.

4 (b) A parent, guardian, or custodian who fails to participate in a
 5 program of informal adjustment ~~ordered by the court after being~~
 6 **ordered under subsection (a) to participate** may be found in
 7 contempt of court.

8 SECTION 577. IC 31-34-8-6 IS AMENDED TO READ AS
 9 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. A program of
 10 informal adjustment may not exceed six (6) months, except by approval
 11 of the juvenile court. The juvenile court may extend a program of
 12 informal adjustment an additional ~~six (6)~~ **three (3)** months.

13 SECTION 578. IC 31-34-8-7, AS AMENDED BY P.L.234-2005,
 14 SECTION 179, IS AMENDED TO READ AS FOLLOWS
 15 [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) Not later than five (5) months
 16 after ~~a court approves the department implements~~ a program of
 17 informal adjustment under this chapter, the department ~~of child~~
 18 ~~services~~ shall file with the court a report indicating the extent of
 19 compliance with the program.

20 (b) If the court ~~extends~~ **approves an extension of** the period of the
 21 informal adjustment under section 6 of this chapter, the department ~~of~~
 22 ~~child services~~ shall file a supplemental report not later than ~~eleven (11)~~
 23 **eight (8)** months after the ~~court initially approves department~~
 24 **implements** the program of informal adjustment updating the court on
 25 the status of a person's compliance with the program.

26 SECTION 579. IC 31-34-9-1, AS AMENDED BY P.L.145-2006,
 27 SECTION 294, IS AMENDED TO READ AS FOLLOWS
 28 [EFFECTIVE JULY 1, 2008]: Sec. 1. ~~The prosecuting attorney or~~ The
 29 attorney for the department:

- 30 (1) may request the juvenile court to authorize the filing of a
 31 petition alleging that a child is a child in need of services; and
 32 (2) shall represent the interests of the state at this proceeding and
 33 at all subsequent proceedings on the petition.

34 SECTION 580. IC 31-34-13-4, AS AMENDED BY P.L.145-2006,
 35 SECTION 296, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE JULY 1, 2008]: Sec. 4. A statement or videotape may not
 37 be admitted in evidence under this chapter unless ~~the prosecuting~~
 38 ~~attorney or~~ the attorney for the department informs the parties of:

- 39 (1) an intention to introduce the statement or videotape in
 40 evidence; and
 41 (2) the content of the statement or videotape;

42 at least ~~twenty (20)~~ **seven (7)** days before the proceedings to give the

1 parties a fair opportunity to prepare a response to the statement or
2 videotape before the proceeding.

3 SECTION 581. IC 31-34-14-2, AS AMENDED BY P.L.145-2006,
4 SECTION 297, IS AMENDED TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2008]: Sec. 2. On the motion of ~~the prosecuting~~
6 ~~attorney~~ or the attorney for the department, the court may order that:

- 7 (1) the testimony of a child be taken in a room other than the
8 courtroom and be transmitted to the courtroom by closed circuit
9 television; and
10 (2) the questioning of the child by the parties be transmitted to the
11 child by closed circuit television.

12 SECTION 582. IC 31-34-14-3, AS AMENDED BY P.L.145-2006,
13 SECTION 298, IS AMENDED TO READ AS FOLLOWS
14 [EFFECTIVE JULY 1, 2008]: Sec. 3. On the motion of ~~the prosecuting~~
15 ~~attorney~~ or the attorney for the department, the court may order that the
16 testimony of a child be videotaped for use at proceedings to determine
17 whether a child or a whole or half blood sibling of the child is a child
18 in need of services.

19 SECTION 583. IC 31-34-14-4, AS AMENDED BY P.L.145-2006,
20 SECTION 299, IS AMENDED TO READ AS FOLLOWS
21 [EFFECTIVE JULY 1, 2008]: Sec. 4. The court may not make an order
22 under section 2 or 3 of this chapter unless:

- 23 (1) the testimony to be taken is the testimony of a child who at the
24 time of the trial is:
25 (A) less than fourteen (14) years of age; or
26 (B) at least fourteen (14) years of age but less than eighteen
27 (18) years of age and has a disability attributable to an
28 impairment of general intellectual functioning or adaptive
29 behavior that:
30 (i) is likely to continue indefinitely;
31 (ii) constitutes a substantial impairment of the child's ability
32 to function normally in society; and
33 (iii) reflects the child's need for a combination and sequence
34 of special, interdisciplinary, or generic care, treatment, or
35 other services that are of lifelong or extended duration and
36 are individually planned and coordinated; and
37 (C) found by the court to be a child who should be permitted
38 to testify outside the courtroom because:
39 (i) a psychiatrist, physician, or psychologist has certified that
40 the child's testifying in the courtroom creates a substantial
41 likelihood of emotional or mental harm to the child;
42 (ii) a physician has certified that the child cannot be present

1 in the courtroom for medical reasons; or
 2 (iii) evidence has been introduced concerning the effect of
 3 the child's testifying in the courtroom and the court finds
 4 that it is more likely than not that the child's testifying in the
 5 courtroom creates a substantial likelihood of emotional or
 6 mental harm to the child;

7 (2) ~~the prosecuting attorney or~~ the attorney for the department has
 8 informed the parties and their attorneys by written notice of the
 9 intention to have the child testify outside the courtroom; and

10 (3) ~~the prosecuting attorney or~~ the attorney for the department
 11 informed the parties and their attorneys under subdivision (2) at
 12 least ~~twenty (20)~~ **seven (7)** days before the proceedings to give
 13 the parties and their attorneys a fair opportunity to prepare a
 14 response before the proceedings to ~~the motion of the prosecuting~~
 15 ~~attorney or~~ the motion of the attorney for the department to permit
 16 the child to testify outside the courtroom.

17 SECTION 584. IC 31-34-14-6, AS AMENDED BY P.L.145-2006,
 18 SECTION 300, IS AMENDED TO READ AS FOLLOWS
 19 [EFFECTIVE JULY 1, 2008]: Sec. 6. If the court makes an order under
 20 section 3 of this chapter, only the following persons may be in the same
 21 room as the child during the child's videotaped testimony:

- 22 (1) The judge.
- 23 (2) The ~~prosecuting attorney or the~~ attorney for the department.
- 24 (3) The attorney for each party.
- 25 (4) Persons necessary to operate the electronic equipment.
- 26 (5) The court reporter.
- 27 (6) Persons whose presence the court finds will contribute to the
 28 child's well-being.
- 29 (7) The parties, who can observe and hear the testimony of the
 30 child without the child being able to observe or hear the parties.
 31 However, if a party is not represented by an attorney, the party
 32 may question the child.

33 SECTION 585. IC 31-34-14-7, AS AMENDED BY P.L.145-2006,
 34 SECTION 301, IS AMENDED TO READ AS FOLLOWS
 35 [EFFECTIVE JULY 1, 2008]: Sec. 7. If the court makes an order under
 36 section 2 or 3 of this chapter, only the following persons may question
 37 the child:

- 38 (1) The ~~prosecuting attorney or the~~ attorney for the department.
- 39 (2) The attorneys for the parties.
- 40 (3) The judge.

41 SECTION 586. IC 31-34-16-1, AS AMENDED BY P.L.145-2006,
 42 SECTION 306, IS AMENDED TO READ AS FOLLOWS

1 [EFFECTIVE JULY 1, 2008]: Sec. 1. Any of the following may sign
 2 and file a petition for the juvenile court to require the participation of
 3 a parent, guardian, or custodian in a program of care, treatment, or
 4 rehabilitation for a child:

5 ~~(1) The prosecuting attorney.~~

6 ~~(2) (1) The attorney for the department.~~

7 ~~(3) A probation officer.~~

8 ~~(4) A caseworker.~~

9 ~~(5) The department of correction.~~

10 ~~(6) (2) The guardian ad litem or court appointed special advocate.~~

11 SECTION 587. IC 31-34-18-1 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) Upon finding that
 13 a child is a child in need of services, the juvenile court shall order a
 14 ~~probation officer the department~~ or a caseworker to prepare a
 15 predispositional report that contains a:

16 (1) statement of the needs of the child for care, treatment,
 17 rehabilitation, or placement; and

18 (2) recommendation for the care, treatment, rehabilitation, or
 19 placement of the child.

20 (b) Any of the following may prepare an alternative report for
 21 consideration by the court:

22 (1) The child.

23 (2) The child's:

24 (A) parent;

25 (B) guardian;

26 (C) guardian ad litem;

27 (D) court appointed special advocate; or

28 (E) custodian.

29 SECTION 588. IC 31-34-18-2 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) In addition to
 31 providing the court with a recommendation for the care, treatment, or
 32 rehabilitation of the child, the person preparing the report shall
 33 consider the necessity, nature, and extent of the participation by a
 34 parent, guardian, or custodian in a program of care, treatment, or
 35 rehabilitation for the child.

36 (b) If a ~~probation officer the department~~ or caseworker believes
 37 that an out-of-home placement would be appropriate for a child in need
 38 of services, the ~~probation officer department~~ or caseworker shall
 39 consider whether the child should be placed with the child's suitable
 40 and willing blood or adoptive relative caretaker, including a
 41 grandparent, an aunt, an uncle, or an adult sibling, before considering
 42 other out-of-home placements for the child.

1 SECTION 589. IC 31-34-18-3 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. The ~~probation officer~~
 3 **department** or caseworker shall also prepare a financial report on the
 4 parent or the estate of the child to assist the juvenile court in
 5 determining the person's financial responsibility for services provided
 6 for the child or the person.

7 SECTION 590. IC 31-34-18-6.1, AS AMENDED BY P.L.145-2006,
 8 SECTION 308, IS AMENDED TO READ AS FOLLOWS
 9 [EFFECTIVE JULY 1, 2008]: Sec. 6.1. (a) The predispositional report
 10 prepared by a ~~probation officer~~ **the department** or caseworker ~~shall~~
 11 **must** include the following information:

12 (1) A description of all dispositional options considered in
 13 preparing the report.

14 (2) An evaluation of each of the options considered in relation to
 15 the plan of care, treatment, rehabilitation, or placement
 16 recommended under the guidelines described in section 4 of this
 17 chapter.

18 (3) The name, occupation and position, and any relationship to the
 19 child of each person with whom the preparer of the report
 20 conferred as provided in section 1.1 of this chapter.

21 (b) If a ~~probation officer~~ **the department** or a caseworker is
 22 considering an out-of-home placement, including placement with a
 23 blood or an adoptive relative caretaker, the ~~probation officer~~
 24 **department** or caseworker shall conduct a criminal history check (as
 25 defined in IC 31-9-2-22.5) for each person who is currently residing in
 26 the location designated as the out-of-home placement. The results of
 27 the criminal history check must be included in the predispositional
 28 report.

29 (c) ~~A probation officer~~ **The department** or caseworker is not
 30 required to conduct a criminal history check under this section if:

31 (1) the ~~probation officer~~ **department** or caseworker is considering
 32 only an out-of-home placement to an entity or a facility that:

33 (A) is not a residence (as defined in IC 3-5-2-42.5); or

34 (B) is licensed by the state; or

35 (2) placement under this section is undetermined at the time the
 36 predispositional report is prepared.

37 SECTION 591. IC 31-34-19-6.1 IS ADDED TO THE INDIANA
 38 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 39 [EFFECTIVE JANUARY 1, 2009]: **Sec 6.1. (a) Before entering its**
 40 **dispositional decree, the juvenile court shall do the following:**

41 **(1) Consider the recommendations for the needs of the child**
 42 **for care, treatment, rehabilitation, or placement made by the**

1 department in the department's predispositional report.

2 (2) Consider the recommendations for the needs of the child
3 for care, treatment, rehabilitation, or placement made by the
4 parent, guardian or custodian, guardian ad litem or court
5 appointed special advocate, foster parent, other caretaker of
6 the child, or other party to the proceeding.

7 (3) If the juvenile court determines that the best interests of
8 the child require consideration of other dispositional options,
9 submit the juvenile court's own recommendations for care,
10 treatment, rehabilitation, or placement of the child.

11 (b) If the juvenile court accepts the recommendations in the
12 department's predispositional report, the juvenile court shall enter
13 its dispositional decree with its findings and conclusions under
14 section 10 of this chapter.

15 (c) If during or after conclusion of the dispositional hearing, the
16 juvenile court does not accept the recommendations of the
17 department as set out under subsection (a) in the predispositional
18 report and states that the juvenile court wants the department to
19 consider the recommendations made under subsection (a)(2) or
20 (a)(3), the dispositional hearing shall be continued for not more
21 than seven (7) business days after service of notice of the juvenile
22 court's determination. The department shall consider the
23 recommendations that the juvenile court requested the department
24 to consider and submit to the juvenile court a supplemental
25 predispositional report stating the department's final
26 recommendations and reasons for accepting or rejecting the
27 recommendations that were not included in the department's
28 original predispositional report. If the juvenile court accepts the
29 recommendations in the department's supplemental report, the
30 juvenile court may adopt the recommendations as its findings and
31 enter its dispositional decree.

32 (d) The juvenile court shall accept each final recommendation
33 of the department contained in a supplemental predispositional
34 report submitted under subsection (c), unless the juvenile court
35 finds that a recommendation is:

36 (1) unreasonable, based on the facts and circumstances of the
37 case; or

38 (2) contrary to the welfare and best interests of the child.

39 (e) If the juvenile court does not accept one (1) or more of the
40 department's final recommendations contained in the department's
41 supplemental predispositional report, the juvenile court shall:

42 (1) enter its dispositional decree with its written findings and

1 **conclusions under sections 6 and 10 of this chapter; and**
 2 **(2) specifically state why the juvenile court is not accepting**
 3 **the final recommendations of the department.**

4 **(f) If the juvenile court enters its findings and decree under**
 5 **subsections (d) and (e), the department may appeal the juvenile**
 6 **court's decree under any available procedure provided by the**
 7 **Indiana Rules of Trial Procedure or the Indiana Rules of Appellate**
 8 **Procedure to allow any disputes arising under this section to be**
 9 **decided in an expeditious manner.**

10 **(g) If the department prevails on appeal, the department shall**
 11 **pay the following costs and expenses incurred by or on behalf of**
 12 **the child before the date of the final decision:**

13 **(1) Any programs or services implemented during the appeal**
 14 **initiated under subsection (f), other than the cost of an**
 15 **out-of-home placement ordered by the juvenile court.**

16 **(2) Any out-of-home placement ordered by the juvenile court**
 17 **and implemented after entry of the dispositional decree or**
 18 **modification order, if the court has made written findings that**
 19 **the placement is an emergency required to protect the health**
 20 **and welfare of the child.**

21 **If the court has not made written findings that the placement is an**
 22 **emergency, the county in which the juvenile court is located is**
 23 **responsible for payment of all costs of the placement, including the**
 24 **cost of services and programs provided by the home or facility**
 25 **where the child was placed.**

26 SECTION 592. IC 31-34-20-1, AS AMENDED BY P.L.52-2007,
 27 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JANUARY 1, 2009]: Sec. 1. **(a)** Subject to **this section and** section 1.5
 29 of this chapter, if a child is a child in need of services, the juvenile
 30 court may enter one (1) or more of the following dispositional decrees:

31 (1) Order supervision of the child by ~~the probation department or~~
 32 ~~the county office~~ or the department.

33 (2) Order the child to receive outpatient treatment:

34 (A) at a social service agency or a psychological, a psychiatric,
 35 a medical, or an educational facility; or

36 (B) from an individual practitioner.

37 (3) Remove the child from the child's home and **authorize the**
 38 **department to** place the child in another home or shelter care
 39 facility. Placement under this subdivision includes authorization
 40 to control and discipline the child.

41 (4) Award wardship ~~to a person or shelter care facility:~~ **of the**
 42 **child to the department for supervision, care, and placement.**

- 1 (5) Partially or completely emancipate the child under section 6
 2 of this chapter.
- 3 (6) Order
 4 (A) the child; or
 5 (B) the child's parent, guardian, or custodian
 6 to receive family complete services recommended by the
 7 department and approved by the court under IC 31-34-16,
 8 IC 31-34-18, and IC 31-34-19.
- 9 (7) Order a person who is a party to refrain from direct or indirect
 10 contact with the child.
- 11 (8) Order a perpetrator of child abuse or neglect to refrain from
 12 returning to the child's residence.
- 13 **(b) A juvenile court may not place a child in a home or facility**
 14 **that is located outside Indiana unless:**
- 15 **(1) the placement is recommended or approved by the**
 16 **director of the department or the director's designee; or**
 17 **(2) the juvenile court makes written findings based on clear**
 18 **and convincing evidence that:**
- 19 **(A) the out-of-state placement is appropriate because there**
 20 **is not a comparable facility with adequate services located**
 21 **in Indiana; or**
 22 **(B) the location of the home or facility is within a distance**
 23 **not greater than fifty (50) miles from the county of**
 24 **residence of the child.**
- 25 **(c) If a dispositional decree under this section:**
- 26 **(1) orders or approves removal of a child from the child's**
 27 **home or awards wardship of the child to the department; and**
 28 **(2) is the first juvenile court order in the child in need of**
 29 **services proceeding that authorizes or approves removal of**
 30 **the child from the child's parent, guardian, or custodian;**
 31 **the juvenile court shall include in the decree the appropriate**
 32 **findings and conclusions described in IC 31-34-5-3(b) and**
 33 **IC 31-34-5-3(c).**
- 34 SECTION 593. IC 31-34-20-1.5, AS AMENDED BY P.L.1-2007,
 35 SECTION 207, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE JULY 1, 2008]: Sec. 1.5. (a) Except as provided in
 37 subsection (d), the juvenile court may not enter a dispositional decree
 38 ~~placing~~ **approving or ordering placement of** a child in another home
 39 under section ~~1(3)~~ **1(a)(3)** of this chapter or awarding wardship to a
 40 ~~county office or~~ the department that will place the child ~~with a person~~
 41 **in another home** under section ~~1(4)~~ **1(a)(4)** of this chapter if a person
 42 who is currently residing in the home in which the child would be

1 placed under section ~~†(3)~~ **1(a)(3)** or ~~†(4)~~ **1(a)(4)** of this chapter has
 2 committed an act resulting in a substantiated report of child abuse or
 3 neglect, has a juvenile adjudication for an act that would be a felony
 4 listed in IC 31-27-4-13 if committed by an adult, or has a conviction for
 5 a felony listed in IC 31-27-4-13.

6 (b) ~~The juvenile court shall order the probation officer~~ **department**
 7 or caseworker who prepared the predispositional report ~~to~~ **shall**
 8 conduct a criminal history check (as defined in IC 31-9-2-22.5) to
 9 determine if a person described in subsection (a) has committed an act
 10 resulting in a substantiated report of child abuse or neglect, has a
 11 juvenile adjudication for an act that would be a felony listed in
 12 IC 31-27-4-13 if committed by an adult, or has a conviction for a felony
 13 listed in IC 31-27-4-13. However, the ~~juvenile court~~ **department or**
 14 **caseworker** is not required to ~~order~~ **conduct** a criminal history check
 15 under this section if criminal history information under IC 31-34-4-2
 16 or IC 31-34-18-6.1 establishes whether a person described in
 17 subsection (a) has committed an act resulting in a substantiated report
 18 of child abuse or neglect, has a juvenile adjudication for an act that
 19 would be a felony listed in IC 31-27-4-13 if committed by an adult, or
 20 has a conviction for a felony listed in IC 31-27-4-13.

21 (c) ~~A probation officer or~~ **The department or** caseworker is not
 22 required to conduct a criminal history check under this section if:

23 (1) ~~the probation officer or~~ **department or** caseworker is
 24 considering only an out-of-home placement to an entity or a
 25 facility that:

26 (A) is not a residence (as defined in IC 3-5-2-42.5); or

27 (B) is licensed by the state; or

28 (2) placement under this section is undetermined at the time the
 29 predispositional report is prepared.

30 (d) A **juvenile court** may enter a dispositional decree ~~placing that~~
 31 **approves placement of** a child in another home or award wardship to
 32 ~~a county office~~ **the department that will place the child in a home**
 33 **with a person described in subsection (a)** if:

34 (1) ~~a~~ **the** person described in subsection (a) has:

35 (A) committed an act resulting in a substantiated report of
 36 child abuse or neglect; or

37 (B) been convicted or had a juvenile adjudication for:

38 (i) reckless homicide (IC 35-42-1-5);

39 (ii) battery (IC 35-42-2-1) as a Class C or D felony;

40 (iii) criminal confinement (IC 35-42-3-3) as a Class C or D
 41 felony;

42 (iv) arson (IC 35-43-1-1) as a Class C or D felony;

- 1 (v) a felony involving a weapon under IC 35-47 or
 2 IC 35-47.5 as a Class C or D felony;
 3 (vi) a felony relating to controlled substances under
 4 IC 35-48-4 as a Class C or D felony; or
 5 (vii) a felony that is substantially equivalent to a felony
 6 listed in items (i) through (vi) for which the conviction was
 7 entered in another state; and
 8 (2) the court makes a written finding that the person's commission
 9 of the offense, delinquent act, or act of abuse or neglect described
 10 in subdivision (1) is not relevant to the person's present ability to
 11 care for a child, and that the dispositional decree placing a child
 12 in another home or awarding wardship to a county office is in the
 13 best interest of the child.

14 However, a court may not enter a dispositional decree ~~placing that~~
 15 **approves placement of** a child in another home or award wardship to
 16 ~~a county office or~~ the department if the person has been convicted of
 17 a felony listed in IC 31-27-4-13 that is not specifically excluded under
 18 subdivision (1)(B), or has a juvenile adjudication for an act that would
 19 be a felony listed in IC 31-27-4-13 if committed by an adult that is not
 20 specifically excluded under subdivision (1)(B).

21 (e) In making its written finding under subsection (d), the court shall
 22 consider the following:

- 23 (1) The length of time since the person committed the offense,
 24 delinquent act, or act that resulted in the substantiated report of
 25 abuse or neglect.
 26 (2) The severity of the offense, delinquent act, or abuse or neglect.
 27 (3) Evidence of the person's rehabilitation, including the person's
 28 cooperation with a treatment plan, if applicable.

29 SECTION 594. IC 31-34-20-5, AS AMENDED BY P.L.159-2007,
 30 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2008]: Sec. 5. (a) This section applies if **the department or**
 32 a juvenile court:

- 33 (1) places a child;
 34 (2) changes the placement of a child; or
 35 (3) reviews the implementation of a decree under IC 31-34-21 of
 36 a child placed;
 37 in a state licensed private or public health care facility, child care
 38 facility, foster family home, or the home of a relative or other
 39 unlicensed caretaker.

40 (b) The juvenile court shall do the following:

- 41 (1) Make findings of fact concerning the legal settlement of the
 42 child.

1 (2) Apply IC 20-26-11-2(1) through IC 20-26-11-2(8) to
2 determine where the child has legal settlement.

3 (3) Include the findings of fact required by this section in:

4 (A) the dispositional order;

5 (B) the modification order; or

6 (C) the other decree;

7 making or changing the placement of the child.

8 (c) The juvenile court may determine that the legal settlement of the
9 child is in the school corporation in which the child will attend school
10 under IC 20-26-11-8(d).

11 (d) The juvenile court shall comply with the reporting requirements
12 under IC 20-26-11-9 concerning the legal settlement of the child.

13 (e) The **department or a** juvenile court may place a child in a
14 public school, regardless of whether the public school has a waiting list
15 for admissions, if the **department or juvenile** court determines that the
16 school's program meets the child's educational needs and the school
17 agrees to the placement. A placement under this subsection does not
18 affect the legal settlement of the child.

19 SECTION 595. IC 31-34-21-2, AS AMENDED BY P.L.146-2006,
20 SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JULY 1, 2008]: Sec. 2. (a) The case of each child in need of services
22 under the supervision of ~~the county office~~ or the department must be
23 reviewed at least once every six (6) months, or more often, if ordered
24 by the court.

25 (b) The first of these periodic case reviews must occur:

26 (1) at least six (6) months after the date of the child's removal
27 from the child's parent, guardian, or custodian; or

28 (2) at least six (6) months after the date of the dispositional
29 decree;

30 whichever comes first.

31 (c) Each periodic case review must be conducted by the juvenile
32 court in a formal court hearing.

33 (d) The court may perform a periodic case review any time after a
34 progress report is filed as described in section 1 of this chapter.

35 SECTION 596. IC 31-34-21-3, AS AMENDED BY P.L.145-2006,
36 SECTION 315, IS AMENDED TO READ AS FOLLOWS
37 [EFFECTIVE JULY 1, 2008]: Sec. 3. Before a case review under
38 section 2 of this chapter, ~~the probation department~~ or the department
39 shall prepare a report in accordance with IC 31-34-22 on the progress
40 made in implementing the dispositional decree.

41 SECTION 597. IC 31-34-21-5, AS AMENDED BY P.L.145-2006,
42 SECTION 318, IS AMENDED TO READ AS FOLLOWS

- 1 [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) The court shall determine:
- 2 (1) whether the child's case plan, services, and placement meet
- 3 the special needs and best interests of the child;
- 4 (2) whether ~~the county office or~~ the department has made
- 5 reasonable efforts to provide family services; and
- 6 (3) a projected date for the child's return home, the child's
- 7 adoption placement, the child's emancipation, or the appointment
- 8 of a legal guardian for the child under section 7.5(1)(E) of this
- 9 chapter.
- 10 (b) The determination of the court under subsection (a) must be
- 11 based on findings written after consideration of the following:
- 12 (1) Whether the department, the child, or the child's parent,
- 13 guardian, or custodian has complied with the child's case plan.
- 14 (2) Written documentation containing descriptions of:
- 15 (A) the family services that have been offered or provided to
- 16 the child or the child's parent, guardian, or custodian;
- 17 (B) the dates during which the family services were offered or
- 18 provided; and
- 19 (C) the outcome arising from offering or providing the family
- 20 services.
- 21 (3) The extent of the efforts made by the department to offer and
- 22 provide family services.
- 23 (4) The extent to which the parent, guardian, or custodian has
- 24 enhanced the ability to fulfill parental obligations.
- 25 (5) The extent to which the parent, guardian, or custodian has
- 26 visited the child, including the reasons for infrequent visitation.
- 27 (6) The extent to which the parent, guardian, or custodian has
- 28 cooperated with the department. ~~or probation department.~~
- 29 (7) The child's recovery from any injuries suffered before
- 30 removal.
- 31 (8) Whether any additional services are required for the child or
- 32 the child's parent, guardian, or custodian and, if so, the nature of
- 33 those services.
- 34 (9) The extent to which the child has been rehabilitated.
- 35 (10) If the child is placed out-of-home, whether the child is in the
- 36 least restrictive, most family-like setting, and whether the child is
- 37 placed close to the home of the child's parent, guardian, or
- 38 custodian.
- 39 (11) The extent to which the causes for the child's out-of-home
- 40 placement or supervision have been alleviated.
- 41 (12) Whether current placement or supervision by the department
- 42 should be continued.

1 (13) The extent to which the child's parent, guardian, or custodian
 2 has participated or has been given the opportunity to participate
 3 in case planning, periodic case reviews, dispositional reviews,
 4 placement of the child, and visitation.

5 (14) Whether the department has made reasonable efforts to
 6 reunify or preserve a child's family unless reasonable efforts are
 7 not required under section 5.6 of this chapter.

8 (15) Whether it is an appropriate time to prepare or implement a
 9 permanency plan for the child under section 7.5 of this chapter.

10 SECTION 598. IC 31-34-21-7.5, AS AMENDED BY P.L.145-2006,
 11 SECTION 324, IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 2008]: Sec. 7.5. (a) Except as provided in
 13 subsection (d), the juvenile court may not approve a permanency plan
 14 under subsection (c)(1)(D), (c)(1)(E), or (c)(1)(F) if a person who is
 15 currently residing with a person described in subsection (c)(1)(D) or
 16 (c)(1)(E) or in a residence in which the child would be placed under
 17 subsection (c)(1)(F) has committed an act resulting in a substantiated
 18 report of child abuse or neglect, has a juvenile adjudication for an act
 19 that would be a felony listed in IC 31-27-4-13 if committed by an adult,
 20 or has a conviction for a felony listed in IC 31-27-4-13.

21 (b) ~~The~~ **Before requesting** juvenile court ~~shall order the probation~~
 22 ~~officer or caseworker who prepared the predispositional report to~~
 23 **approval of a permanency plan, the department shall** conduct a
 24 criminal history check (as defined in IC 31-9-2-22.5) to determine if a
 25 person described in subsection (a) has committed an act resulting in a
 26 substantiated report of child abuse or neglect, has a juvenile
 27 adjudication for an act that would be a felony listed in IC 31-27-4-13
 28 if committed by an adult, or has a conviction for a felony listed in
 29 IC 31-27-4-13. However, the ~~juvenile court~~ **department** is not required
 30 to ~~order~~ **conduct** a criminal history check under this section if criminal
 31 history information under IC 31-34-4-2, IC 31-34-18-6.1, or
 32 IC 31-34-20-1.5 establishes whether a person described in subsection
 33 (a) has committed an act resulting in a substantiated report of child
 34 abuse or neglect, has a juvenile adjudication for an act that would be
 35 a felony listed in IC 31-27-4-13 if committed by an adult, or has a
 36 conviction for a felony listed in IC 31-27-4-13.

37 (c) A permanency plan under this chapter includes the following:

38 (1) The intended permanent or long term arrangements for care
 39 and custody of the child that may include any of the following
 40 arrangements that the **department or the** court considers most
 41 appropriate and consistent with the best interests of the child:

42 (A) Return to or continuation of existing custodial care within

- 1 the home of the child's parent, guardian, or custodian or
 2 placement of the child with the child's noncustodial parent.
- 3 (B) Initiation of a proceeding by the agency or appropriate
 4 person for termination of the parent-child relationship under
 5 IC 31-35.
- 6 (C) Placement of the child for adoption.
- 7 (D) Placement of the child with a responsible person,
 8 including:
- 9 (i) an adult sibling;
 10 (ii) a grandparent;
 11 (iii) an aunt;
 12 (iv) an uncle; or
 13 (v) another relative;
- 14 who is able and willing to act as the child's permanent
 15 custodian and carry out the responsibilities required by the
 16 permanency plan.
- 17 (E) Appointment of a legal guardian. The legal guardian
 18 appointed under this section is a caretaker in a judicially
 19 created relationship between the child and caretaker that is
 20 intended to be permanent and self-sustaining as evidenced by
 21 the transfer to the caretaker of the following parental rights
 22 with respect to the child:
- 23 (i) Care, custody, and control of the child.
 24 (ii) Decision making concerning the child's upbringing.
- 25 (F) Placement of the child in another planned, permanent
 26 living arrangement.
- 27 (2) A time schedule for implementing the applicable provisions
 28 of the permanency plan.
- 29 (3) Provisions for temporary or interim arrangements for care and
 30 custody of the child, pending completion of implementation of the
 31 permanency plan.
- 32 (4) Other items required to be included in a case plan under
 33 IC 31-34-15 or federal law, consistent with the permanent or long
 34 term arrangements described by the permanency plan.
- 35 (d) A juvenile court may approve a permanency plan if:
- 36 (1) a person described in subsection (a) has:
- 37 (A) committed an act resulting in a substantiated report of
 38 child abuse or neglect; or
- 39 (B) been convicted or had a juvenile adjudication for:
- 40 (i) reckless homicide (IC 35-42-1-5);
 41 (ii) battery (IC 35-42-2-1) as a Class C or D felony;
 42 (iii) criminal confinement (IC 35-42-3-3) as a Class C or D

- 1 felony;
- 2 (iv) arson (IC 35-43-1-1) as a Class C or D felony;
- 3 (v) a felony involving a weapon under IC 35-47 or
- 4 IC 35-47.5 as a Class C or D felony;
- 5 (vi) a felony relating to controlled substances under
- 6 IC 35-48-4 as a Class C or D felony; or
- 7 (vii) a felony that is substantially equivalent to a felony
- 8 listed in items (i) through (vi) for which the conviction was
- 9 entered in another state; and

10 (2) the court makes a written finding that the person's commission

11 of the offense, delinquent act, or act of abuse or neglect described

12 in subdivision (1) is not relevant to the person's present ability to

13 care for a child, and that approval of the permanency plan is in the

14 best interest of the child.

15 However, a court may not approve a permanency plan if the person has

16 been convicted of a felony listed in IC 31-27-4-13 that is not

17 specifically excluded under subdivision (1)(B), or has a juvenile

18 adjudication for an act that would be a felony listed in IC 31-27-4-13

19 if committed by an adult that is not specifically excluded under

20 subdivision (1)(B).

21 (e) In making its written finding under subsection (d), the court shall

22 consider the following:

- 23 (1) The length of time since the person committed the offense,
- 24 delinquent act, or act that resulted in the substantiated report of
- 25 abuse or neglect.
- 26 (2) The severity of the offense, delinquent act, or abuse or neglect.
- 27 (3) Evidence of the person's rehabilitation, including the person's
- 28 cooperation with a treatment plan, if applicable.

29 SECTION 599. IC 31-34-21-8, AS AMENDED BY P.L.145-2006,

30 SECTION 325, IS AMENDED TO READ AS FOLLOWS

31 [EFFECTIVE JULY 1, 2008]: Sec. 8. Before a hearing under section

32 7 of this chapter, ~~the probation department or~~ the department shall

33 prepare a report in accordance with IC 31-34-22 on the progress made

34 in implementing the dispositional decree.

35 SECTION 600. IC 31-34-22-1, AS AMENDED BY P.L.138-2007,

36 SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

37 JULY 1, 2008]: Sec. 1. (a) Before a case review under IC 31-34-21-2

38 or hearing under IC 31-34-21-7, ~~the probation department or the~~

39 department shall prepare a report on the progress made in

40 implementing the dispositional decree, including the progress made in

41 rehabilitating the child, preventing placement out-of-home, or reuniting

42 the family.

1 (b) Before preparing the report required by subsection (a), the
 2 ~~probation department or the~~ department shall consult a foster parent of
 3 the child about the child's progress made while in the foster parent's
 4 care.

5 (c) If modification of the dispositional decree is recommended, the
 6 ~~probation department or the~~ department shall prepare a modification
 7 report containing the information required by IC 31-34-18 and request
 8 a formal court hearing.

9 SECTION 601. IC 31-34-23-1, AS AMENDED BY P.L.129-2005,
 10 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2008]: Sec. 1. While the juvenile court retains jurisdiction
 12 under IC 31-30-2, the juvenile court may modify any dispositional
 13 decree:

14 (1) upon the juvenile court's own motion;

15 (2) upon the motion of:

16 (A) the child;

17 (B) the child's:

18 (i) parent;

19 (ii) guardian;

20 (iii) custodian;

21 (iv) court appointed special advocate; or

22 (v) guardian ad litem;

23 ~~(C) the probation officer;~~

24 ~~(D) the caseworker;~~

25 ~~(E) the prosecuting attorney; or~~

26 ~~(F) (C) the attorney for the county office of family and~~
 27 ~~children; department; or~~

28 (3) upon the motion of any person providing services to the child
 29 or to the child's parent, guardian, or custodian under a decree of
 30 the court.

31 SECTION 602. IC 31-34-23-3 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) If the ~~petitioner~~
 33 **motion** requests an emergency change in the child's residence, the
 34 court may issue a temporary order. However, the ~~court department~~
 35 shall then give notice to the persons affected and **the juvenile court**
 36 shall hold a hearing on the question if requested.

37 (b) If the ~~petition motion~~ requests any other modification, the ~~court~~
 38 **department** shall give notice to the persons affected, and ~~may the~~
 39 **juvenile court shall** hold a hearing on the question.

40 SECTION 603. IC 31-34-23-4, AS AMENDED BY P.L.138-2007,
 41 SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JANUARY 1, 2009]: Sec. 4. If a hearing is required, IC 31-34-18

1 **governs and IC 31-34-19 apply to** the preparation and use of a
 2 modification report. The report shall be prepared if the ~~state~~
 3 **department** or any person other than the child or the child's parent,
 4 guardian, guardian ad litem, court appointed special advocate, or
 5 custodian is requesting the modification. Notice of any hearing under
 6 this chapter shall be given in accordance with IC 31-34-19-1.3.

7 SECTION 604. IC 31-34-25-1 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. Any of the following
 9 may sign and file a petition for the juvenile court to require a person to
 10 refrain from direct or indirect contact with a child:

- 11 ~~(1) The prosecuting attorney.~~
- 12 ~~(2) (1) The attorney for the county office of family and children~~
 13 **department.**
- 14 ~~(3) A probation officer.~~
- 15 ~~(4) A caseworker.~~
- 16 ~~(5) The department of correction.~~
- 17 ~~(6) (2) The guardian ad litem or court appointed special advocate.~~

18 SECTION 605. IC 31-35-2-4 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4. (a) A petition to
 20 terminate the parent-child relationship involving a delinquent child or
 21 a child in need of services may be signed and filed with the juvenile or
 22 probate court by any of the following:

- 23 (1) The attorney for the ~~county office of family and children~~
 24 **department.**
- 25 ~~(2) The prosecuting attorney.~~
- 26 ~~(3) (2) The child's court appointed special advocate.~~
- 27 ~~(4) (3) The child's guardian ad litem.~~

28 (b) The petition must:

- 29 (1) be entitled "In the Matter of the Termination of the
 30 Parent-Child Relationship of _____, a child, and
 31 _____, the child's parent (or parents)"; and
- 32 (2) allege that:

33 (A) one (1) of the following exists:

- 34 (i) the child has been removed from the parent for at least
 35 six (6) months under a dispositional decree;
- 36 (ii) a court has entered a finding under IC 31-34-21-5.6 that
 37 reasonable efforts for family preservation or reunification
 38 are not required, including a description of the court's
 39 finding, the date of the finding, and the manner in which the
 40 finding was made; or
- 41 (iii) ~~after July 1, 1999~~, the child has been removed from the
 42 parent and has been under the supervision of a county office

- 1 of family and children for at least fifteen (15) months of the
 2 most recent twenty-two (22) months;
 3 (B) there is a reasonable probability that:
 4 (i) the conditions that resulted in the child's removal or the
 5 reasons for placement outside the home of the parents will
 6 not be remedied; or
 7 (ii) the continuation of the parent-child relationship poses a
 8 threat to the well-being of the child;
 9 (C) termination is in the best interests of the child; and
 10 (D) there is a satisfactory plan for the care and treatment of the
 11 child.

12 (3) Indicate whether at least one (1) of the factors listed in section
 13 4.5(d)(1) through 4.5(d)(3) of this chapter applies and specify
 14 each factor that would apply as the basis for filing a motion to
 15 dismiss the petition.

16 SECTION 606. IC 31-35-2-4.5 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4.5. (a) This section
 18 applies if:

19 (1) a court has made a finding under IC 31-34-21-5.6 that
 20 reasonable efforts for family preservation or reunification with
 21 respect to a child in need of services are not required; or

22 (2) a child in need of services:

23 (A) has been placed in:

24 (i) a foster family home, child caring institution, or group
 25 home licensed under ~~IC 12-17-4~~; **IC 31-27**; or

26 (ii) the home of a person related **(as defined in**
 27 **IC 31-9-2-106.5)** to the child; ~~(as defined in~~
 28 ~~IC 12-7-2-162.5)~~;

29 as directed by a court in a child in need of services proceeding
 30 under IC 31-34; and

31 (B) has been removed from a parent and has been under the
 32 supervision of a ~~county office of family and children~~ **the**
 33 **department** for not less than fifteen (15) months of the most
 34 recent twenty-two (22) months, excluding any period not
 35 exceeding sixty (60) days before the court has entered a
 36 finding and judgment under IC 31-34 that the child is a child
 37 in need of services.

38 (b) A person described in section 4(a) of this chapter shall:

39 (1) file a petition to terminate the parent-child relationship under
 40 section 4 of this chapter; and

41 (2) request that the petition be set for hearing.

42 (c) If a petition under subsection (b) is filed by the child's court

1 appointed special advocate or guardian ad litem, the ~~prosecuting~~
 2 ~~attorney or the county office of family and children~~ are **department**
 3 ~~entitled to shall~~ be joined as a party to the petition. ~~upon application to~~
 4 ~~the court.~~

5 (d) A party shall file a motion to dismiss the petition to terminate
 6 the parent-child relationship if any of the following circumstances
 7 apply:

8 (1) That the current case plan prepared by or under the
 9 supervision of the ~~county office of family and children~~
 10 **department** under IC 31-34-15 has documented a compelling
 11 reason, based on facts and circumstances stated in the petition or
 12 motion, for concluding that filing, or proceeding to a final
 13 determination of, a petition to terminate the parent-child
 14 relationship is not in the best interests of the child. A compelling
 15 reason may include the fact that the child is being cared for by a
 16 custodian who is a parent, stepparent, grandparent, or responsible
 17 adult who is the child's sibling, aunt, or uncle or a ~~relative person~~
 18 **related (as defined in IC 31-9-2-106.5) to the child** who is
 19 caring for the child as a **legal** guardian.

20 (2) That:

21 (A) IC 31-34-21-5.6 is not applicable to the child;

22 (B) the ~~county office of family and children~~ **department** has
 23 not provided family services to the child, parent, or family of
 24 the child in accordance with a currently effective case plan
 25 prepared under IC 31-34-15 or a permanency plan or
 26 dispositional decree approved under IC 31-34, for the purpose
 27 of permitting and facilitating safe return of the child to the
 28 child's home; and

29 (C) the period for completion of the program of family
 30 services, as specified in the current case plan, permanency
 31 plan, or decree, has not expired.

32 (3) That:

33 (A) IC 31-34-21-5.6 is not applicable to the child;

34 (B) the ~~county office of family and children~~ **department** has
 35 not provided family services to the child, parent, or family of
 36 the child, in accordance with applicable provisions of a
 37 currently effective case plan prepared under IC 31-34-15, or a
 38 permanency plan or dispositional decree approved under
 39 IC 31-34; and

40 (C) the services that the ~~county office of family and children~~
 41 **department** has not provided are substantial and material in
 42 relation to implementation of a plan to permit safe return of

1 the child to the child's home.

2 The motion to dismiss shall specify which of the allegations described
3 in subdivisions (1) through (3) apply to the motion. If the court finds
4 that any of the allegations described in subdivisions (1) through (3) are
5 true, as established by a preponderance of the evidence, the court shall
6 dismiss the petition to terminate the parent-child relationship.

7 SECTION 607. IC 31-35-2-5 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. Upon the filing of a
9 petition under section 4 of this chapter,

10 ~~(1) the attorney for the county office of family and children; or~~

11 ~~(2) the prosecuting attorney; department~~

12 shall represent the interests of the state in all subsequent proceedings
13 on the petition.

14 SECTION 608. IC 31-35-3-4, AS AMENDED BY P.L.145-2006,
15 SECTION 329, IS AMENDED TO READ AS FOLLOWS
16 [EFFECTIVE JULY 1, 2008]: Sec. 4. If:

17 (1) an individual is convicted of the offense of:

18 (A) murder (IC 35-42-1-1);

19 (B) causing suicide (IC 35-42-1-2);

20 (C) voluntary manslaughter (IC 35-42-1-3);

21 (D) involuntary manslaughter (IC 35-42-1-4);

22 (E) rape (IC 35-42-4-1);

23 (F) criminal deviate conduct (IC 35-42-4-2);

24 (G) child molesting (IC 35-42-4-3);

25 (H) child exploitation (IC 35-42-4-4);

26 (I) sexual misconduct with a minor (IC 35-42-4-9); or

27 (J) incest (IC 35-46-1-3); and

28 (2) the victim of the offense:

29 (A) was less than sixteen (16) years of age at the time of the
30 offense; and

31 (B) is:

32 (i) the individual's biological or adoptive child; or

33 (ii) the child of a spouse of the individual who has
34 committed the offense;

35 ~~the prosecuting attorney~~, the attorney for the department, the child's
36 guardian ad litem, or the court appointed special advocate may file a
37 petition with the juvenile or probate court to terminate the parent-child
38 relationship of the individual who has committed the offense with the
39 victim of the offense, the victim's siblings, or any biological or adoptive
40 child of that individual.

41 SECTION 609. IC 31-35-3-6, AS AMENDED BY P.L.145-2006,
42 SECTION 330, IS AMENDED TO READ AS FOLLOWS

1 [EFFECTIVE JULY 1, 2008]: Sec. 6. (a) The ~~person filing the petition~~
 2 **attorney for the department** shall represent the interests of the state
 3 in all subsequent proceedings on the petition.

4 (b) Upon the filing of a petition under section 4 of this chapter, the
 5 attorney for the department ~~or the prosecuting attorney~~ shall represent
 6 the interests of the state in all subsequent proceedings.

7 SECTION 610. IC 31-35-4-4, AS AMENDED BY P.L.145-2006,
 8 SECTION 331, IS AMENDED TO READ AS FOLLOWS
 9 [EFFECTIVE JULY 1, 2008]: Sec. 4. A statement or videotape may not
 10 be admitted in evidence under this chapter unless ~~the prosecuting~~
 11 **attorney or** the attorney for the department informs the parties of:

12 (1) an intention to introduce the statement or videotape in
 13 evidence; and

14 (2) the content of the statement or videotape;

15 at least ~~twenty (20)~~ **seven (7)** days before the proceedings to give the
 16 parties a fair opportunity to prepare a response to the statement or
 17 videotape before the proceeding.

18 SECTION 611. IC 31-35-5-2, AS AMENDED BY P.L.145-2006,
 19 SECTION 332, IS AMENDED TO READ AS FOLLOWS
 20 [EFFECTIVE JULY 1, 2008]: Sec. 2. On the motion of ~~the prosecuting~~
 21 **attorney or** the attorney for the department, the court may order that:

22 (1) the testimony of a child be taken in a room other than the
 23 courtroom and be transmitted to the courtroom by closed circuit
 24 television; and

25 (2) the questioning of the child by the parties be transmitted to the
 26 child by closed circuit television.

27 SECTION 612. IC 31-35-5-3, AS AMENDED BY P.L.145-2006,
 28 SECTION 333, IS AMENDED TO READ AS FOLLOWS
 29 [EFFECTIVE JULY 1, 2008]: Sec. 3. On the motion of ~~the prosecuting~~
 30 **attorney or** the attorney for the department, the court may order that the
 31 testimony of a child be videotaped for use at proceedings to determine
 32 whether the parent-child relationship should be terminated.

33 SECTION 613. IC 31-37-5-8 IS ADDED TO THE INDIANA
 34 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 35 [EFFECTIVE JANUARY 1, 2009]: **Sec. 8. (a) This section applies to**
 36 **services and programs provided to or on behalf of a child alleged**
 37 **to be a delinquent child at any time before:**

38 (1) **entry of a dispositional decree under IC 31-37-19; or**

39 (2) **approval of a program of informal adjustment under**
 40 **IC 31-37-9.**

41 (b) **Except as provided in subsection (c), before a juvenile court**
 42 **orders or approves a service, a program, or an out-of-home**

1 **placement for a child:**

2 **(1) that is recommended by a probation officer or proposed**
3 **by the juvenile court;**

4 **(2) for which the costs would be payable by the department**
5 **under IC 31-40-1-2; and**

6 **(3) that has not been approved by the department;**

7 **the juvenile court shall submit the proposed service, program, or**
8 **placement to the department for consideration. The department**
9 **shall, not later than three (3) business days after receipt of the**
10 **recommendation or proposal, submit to the court a report stating**
11 **whether the department approves or disapproves the proposed**
12 **service, program, or placement.**

13 **(c) If the juvenile court makes written findings and concludes**
14 **that an emergency exists requiring an immediate out-of-home**
15 **placement to protect the health and welfare of the child, the**
16 **juvenile court may order or authorize implementation of the**
17 **placement without first complying with the procedure specified in**
18 **this section. After entry of an order under this subsection, the**
19 **juvenile court shall submit a copy of the order to the department**
20 **for consideration under this section of possible modification or**
21 **alternatives to the placement and any related services or programs**
22 **included in the order.**

23 **(d) If the department approves the service, program, or**
24 **placement recommended by the probation officer or juvenile court,**
25 **the juvenile court may enter an appropriate order to implement**
26 **the approved proposal. If the department does not approve a**
27 **service, program, or placement recommended by the probation**
28 **officer or proposed by the juvenile court, the department may**
29 **recommend an alternative service, program, or placement for the**
30 **child.**

31 **(e) The juvenile court shall accept the recommendations of the**
32 **department regarding any predispositional services, programs, or**
33 **placement for the child unless the juvenile court finds a**
34 **recommendation is:**

35 **(1) unreasonable, based on the facts and circumstances of the**
36 **case; or**

37 **(2) contrary to the welfare and best interests of the child.**

38 **(f) If the juvenile court does not accept the recommendations of**
39 **the department in the report submitted under subsection (b), the**
40 **court may enter an order that:**

41 **(1) requires the department to provide a specified service,**
42 **program, or placement, until entry of a dispositional decree**

1 **or until the order is otherwise modified or terminated; and**
 2 **(2) specifically states the reasons why the juvenile court is not**
 3 **accepting the recommendations of the department, including**
 4 **the juvenile court's findings under subsection (e).**

5 **(g) If the juvenile court enters its findings and order under**
 6 **subsections (e) and (f), the department may appeal the juvenile**
 7 **court's order under any available procedure provided by the**
 8 **Indiana Rules of Trial Procedure or the Indiana Rules of Appellate**
 9 **Procedure to allow any disputes arising under this section to be**
 10 **decided in an expeditious manner.**

11 **(h) If the department prevails on an appeal initiated under**
 12 **subsection (g), the department shall pay the following costs and**
 13 **expenses incurred by or on behalf of the child before the date of the**
 14 **final decision:**

15 **(1) Any programs or services implemented during the appeal,**
 16 **other than the cost of an out-of-home placement ordered by**
 17 **the juvenile court.**

18 **(2) Any out-of-home placement ordered by the juvenile court**
 19 **and implemented after entry of the court order of placement,**
 20 **if the court has made written findings that the placement is an**
 21 **emergency required to protect the health and welfare of the**
 22 **child.**

23 **If the court has not made written findings that the placement is an**
 24 **emergency, the county in which the juvenile court is located is**
 25 **responsible for payment of all costs of the placement, including the**
 26 **cost of services and programs provided by the home or facility**
 27 **where the child was placed.**

28 SECTION 614. IC 31-37-6-6, AS AMENDED BY P.L.146-2006,
 29 SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JANUARY 1, 2009]: Sec. 6. (a) The juvenile court shall release the
 31 child on the child's own recognizance or to the child's parent, guardian,
 32 or custodian upon the person's written promise to bring the child before
 33 the court at a time specified. However, the court may order the child
 34 detained if the court finds probable cause to believe the child is a
 35 delinquent child and that:

- 36 (1) the child is unlikely to appear for subsequent proceedings;
 37 (2) detention is essential to protect the child or the community;
 38 (3) the parent, guardian, or custodian:
 39 (A) cannot be located; or
 40 (B) is unable or unwilling to take custody of the child;
 41 (4) return of the child to the child's home is or would be:
 42 (A) contrary to the best interests and welfare of the child; and

- 1 (B) harmful to the safety or health of the child; or
 2 (5) the child has a reasonable basis for requesting that the child
 3 not be released.

4 However, the findings under this subsection are not required if the
 5 child is ordered to be detained in the home of the child's parent,
 6 guardian, or custodian or is released subject to any condition listed in
 7 subsection (d).

8 (b) If a child is detained for a reason specified in subsection (a)(3),
 9 (a)(4), or (a)(5), the child shall be detained under IC 31-37-7-1.

10 (c) If a child is detained for a reason specified in subsection (a)(4),
 11 the court shall make written findings and conclusions that include the
 12 following:

- 13 (1) The factual basis for the finding specified in subsection (a)(4).
 14 (2) A description of the family services available and efforts made
 15 to provide family services before removal of the child.
 16 (3) The reasons why efforts made to provide family services did
 17 not prevent removal of the child.
 18 (4) Whether efforts made to prevent removal of the child were
 19 reasonable.

20 (d) Whenever the court releases a child under this section, the court
 21 may impose conditions upon the child, including:

- 22 (1) home detention;
 23 (2) electronic monitoring;
 24 (3) a curfew restriction;
 25 (4) a protective order;
 26 (5) a no contact order;
 27 (6) an order to comply with Indiana law; or
 28 (7) an order placing any other reasonable conditions on the child's
 29 actions or behavior.

30 (e) If the juvenile court releases a child to the child's parent,
 31 guardian, or custodian under this section, the court may impose
 32 conditions on the child's parent, guardian, or custodian to ensure:

- 33 (1) the safety of the child's physical or mental health;
 34 (2) the public's physical safety; or
 35 (3) that any combination of subdivisions (1) and (2) is satisfied.

36 **(f) The juvenile court shall include in any order approving or**
 37 **requiring detention of a child or approving temporary detention of**
 38 **a child taken into custody under IC 31-37-5 all findings and**
 39 **conclusions required under:**

- 40 **(1) the applicable provisions of Title IV-E of the federal Social**
 41 **Security Act (42 U.S.C. 670 et seq.); or**
 42 **(2) any applicable federal regulation, including 45 CFR**

1 **1356.21;**
 2 **as a condition of eligibility of a delinquent child for assistance**
 3 **under Title IV-E or any other federal law.**

4 **(g) Inclusion in a juvenile court order of language approved and**
 5 **recommended by the judicial conference of Indiana, in relation to:**

6 **(1) removal from the child's home; or**

7 **(2) detention;**

8 **of a child who is alleged to be, or adjudicated as, a delinquent child**
 9 **constitutes compliance with subsection (f).**

10 SECTION 615. IC 31-37-7-1 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. A child alleged to be
 12 a delinquent child under IC 31-37-2, except as provided in section 3 of
 13 this chapter, may not be held in:

14 (1) a secure facility; or

15 (2) a shelter care facility, **a forestry camp, or a training school**
 16 that houses persons charged with, imprisoned for, or incarcerated
 17 for crimes.

18 SECTION 616. IC 31-37-8-2 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. A preliminary
 20 inquiry is an informal investigation into the facts and circumstances
 21 reported to the court. Whenever practicable, the preliminary inquiry
 22 should include **the following** information: ~~on the child's:~~

23 (1) **The child's** background.

24 (2) **The child's** current status. ~~and~~

25 (3) **The child's** school performance.

26 **(4) If the child has been detained:**

27 **(A) efforts made to prevent removal of the child from the**
 28 **child's home, including the identification of any emergency**
 29 **situation that prevented reasonable efforts to avoid**
 30 **removal;**

31 **(B) whether it is in the best interests of the child to be**
 32 **removed from the home environment; and**

33 **(C) whether remaining in the home would be contrary to**
 34 **the health and welfare of the child.**

35 SECTION 617. IC 31-37-8-5, AS AMENDED BY P.L.145-2006,
 36 SECTION 337, IS AMENDED TO READ AS FOLLOWS
 37 [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) The intake officer shall do the
 38 following:

39 (1) Send the prosecuting attorney a copy of the preliminary
 40 inquiry. ~~if the case involves an allegation that the child committed~~
 41 ~~an act that would be a crime if committed by an adult.~~

42 ~~(2) Send to:~~

- 1 (A) the prosecuting attorney; or
 2 (B) the attorney for the department;
 3 a copy of the preliminary inquiry if the case involves an allegation
 4 that the child committed a delinquent act that would not be a
 5 crime if committed by an adult.
 6 (3) (2) Recommend whether to:
 7 (A) file a petition;
 8 (B) informally adjust the case;
 9 (C) refer the child to another agency; or
 10 (D) dismiss the case.

11 (b) The prosecuting attorney and the court may agree to alter the
 12 procedure described in subsection (a).

13 SECTION 618. IC 31-37-8-6 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. The ~~person who~~
 15 ~~represents the interests of the state and who receives the preliminary~~
 16 ~~inquiry and recommendations~~ **prosecuting attorney** shall decide
 17 whether to file a petition. ~~This decision is final only for the office of the~~
 18 ~~person making the decision.~~

19 SECTION 619. IC 31-37-9-1 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. (a) After the
 21 preliminary inquiry and upon approval by the juvenile court, the intake
 22 officer may implement a program of informal adjustment if the officer
 23 has probable cause to believe that the child is a delinquent child **and**
 24 **the child is not removed from the child's home.**

25 **(b) If the program of informal adjustment includes services**
 26 **requiring payment by the department under IC 31-40-1, the intake**
 27 **officer shall submit a copy of the proposed program to the**
 28 **department before submitting it to the juvenile court for approval.**
 29 **Upon receipt of the proposed program, the department may submit**
 30 **its comments and recommendations, if any, to the intake officer**
 31 **and the juvenile court.**

32 SECTION 620. IC 31-37-9-2 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. The child and
 34 the child's parent, guardian, custodian, or attorney must consent to the
 35 program of informal adjustment. **Before payment for services to the**
 36 **family may be paid, written consent must also be obtained from the**
 37 **department.**

38 SECTION 621. IC 31-37-9-4 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4. (a) Upon the filing
 40 of a petition for compliance and after notice and a hearing on the
 41 petition for compliance, the juvenile court may order the parent,
 42 guardian, or custodian of a child to participate in a program of informal

1 adjustment **approved by the court implemented** under section 1 of this
2 chapter.

3 (b) A parent, guardian, or custodian who fails to participate in a
4 program of informal adjustment ordered by the court may be found in
5 contempt of court.

6 SECTION 622. IC 31-37-9-7 IS AMENDED TO READ AS
7 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. A program of
8 informal adjustment may not exceed six (6) months, except by approval
9 of the juvenile court. The juvenile court may extend a program of
10 informal adjustment an additional ~~six (6)~~ **three (3)** months.

11 SECTION 623. IC 31-37-10-1 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. ~~(a)~~ The prosecuting
13 attorney may file a petition alleging that a child is a delinquent child.

14 ~~(b) The attorney for the county office of family and children may~~
15 ~~file a petition alleging that a child is a delinquent child under~~
16 ~~IC 31-37-2.~~

17 SECTION 624. IC 31-37-10-5 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) If the filing of a
19 petition is approved by the court under section 2 of this chapter, the
20 ~~person filing~~ **prosecuting attorney** may request in writing that the
21 child be taken into custody. The person must support this request with
22 sworn testimony or affidavit.

23 (b) The court may grant the request if the court makes written
24 findings of fact upon the record that a ground for detention exists under
25 IC 31-37-6-6.

26 SECTION 625. IC 31-37-13-2 IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. If the court finds that
28 a child is a delinquent child, the court shall do the following:

- 29 (1) Enter judgment accordingly.
- 30 (2) Order a ~~predisposition~~ **predispositional** report.
- 31 (3) Schedule a dispositional hearing.

32 SECTION 626. IC 31-37-15-1, AS AMENDED BY P.L.145-2006,
33 SECTION 339, IS AMENDED TO READ AS FOLLOWS
34 [EFFECTIVE JULY 1, 2008]: Sec. 1. Any of the following may sign
35 and file a petition for the juvenile court to require the participation of
36 a parent, guardian, or custodian in a program of care, treatment, or
37 rehabilitation for the child:

- 38 (1) The prosecuting attorney.
- 39 ~~(2) The attorney for the department.~~
- 40 ~~(3) (2)~~ A probation officer.
- 41 ~~(4) A caseworker.~~
- 42 ~~(5) (3)~~ The department of correction.

1 ~~(6)~~ **(4)** The guardian ad litem or court appointed special advocate.
 2 SECTION 627. IC 31-37-17-1 IS AMENDED TO READ AS
 3 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. (a) Upon
 4 finding that a child is a delinquent child, the juvenile court shall order
 5 a probation officer ~~or a caseworker~~ to prepare a predispositional report
 6 that contains: ~~a:~~

- 7 (1) a statement of the needs of the child for care, treatment,
 8 rehabilitation, or placement; ~~and~~
 9 (2) a recommendation for the care, treatment, rehabilitation, or
 10 placement of the child;

11 **(3) if the recommendation includes:**

12 **(A) an out-of-home placement other than a secure**
 13 **detention facility; or**

14 **(B) services payable by the department under**
 15 **IC 31-40-1-2;**

16 **information that the department requires to determine**
 17 **whether the child is eligible for assistance under Title IV-E of**
 18 **the federal Social Security Act (42 U.S.C. 670 et seq.); and**

19 **(4) a statement of the department's concurrence with or its**
 20 **alternative proposal to the probation officer's predispositional**
 21 **report, as provided in section 1.4 of this chapter.**

22 (b) Any of the following may prepare an alternative report for
 23 consideration by the court:

24 (1) The child.

25 (2) The child's:

26 (A) parent;

27 (B) guardian;

28 (C) guardian ad litem;

29 (D) court appointed special advocate; or

30 (E) custodian.

31 SECTION 628. IC 31-37-17-1.3 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1.3. (a) The
 33 individuals participating in a meeting described in section 1.1 of this
 34 chapter shall assist the person preparing the report in recommending
 35 the care, treatment, rehabilitation, or placement of the child.

36 (b) The individuals shall inform the person preparing the report of
 37 resources and programs that are available for the child.

38 (c) The probation officer ~~or caseworker~~ shall:

39 **(1) collect and maintain all information relevant to a**
 40 **determination of eligibility under Title IV-E of the federal**
 41 **Social Security Act (42 U.S.C. 670 et seq.); and**

42 **(2) complete financial eligibility forms designated by the director**

1 to assist in obtaining federal reimbursement and other
2 reimbursement.

3 SECTION 629. IC 31-37-17-1.4 IS ADDED TO THE INDIANA
4 CODE AS A NEW SECTION TO READ AS FOLLOWS
5 [EFFECTIVE JANUARY 1, 2009]: **Sec. 1.4. (a) If the**
6 **predispositional report includes a recommended placement,**
7 **program, or services that would be payable by the department**
8 **under IC 31-40-1-2, a probation officer shall refer the officer's**
9 **completed predispositional report, except for the statement**
10 **required under section 1(a)(4) of this chapter, to the department**
11 **within a reasonable time before its required disclosure under**
12 **section 6 of this chapter to allow the department time to:**

13 (1) review; and
14 (2) either concur with or offer an alternative proposal to the
15 recommendations in;
16 the predispositional report.

17 (b) The department shall, after review of the predispositional
18 report and any attachments necessary to verify the predispositional
19 report, and within a reasonable time before the dispositional
20 hearing, either:

21 (1) concur with the predispositional report; or
22 (2) communicate to the probation officer an alternative
23 proposal regarding programs and services.

24 SECTION 630. IC 31-37-17-2 IS AMENDED TO READ AS
25 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) In addition to
26 providing the court with a recommendation for the care, treatment, or
27 rehabilitation of the child, the person preparing the report shall
28 consider the necessity, nature, and extent of the participation by a
29 parent, guardian, or custodian in a program of care, treatment, or
30 rehabilitation for the child.

31 (b) If a probation officer ~~or caseworker~~ believes that an out-of-home
32 placement would be appropriate for a delinquent child, the probation
33 officer ~~or caseworker~~ shall consider whether the child should be placed
34 with the child's suitable and willing blood or adoptive relative
35 caretaker, including a grandparent, an aunt, an uncle, or an adult
36 sibling, before considering other out-of-home placements for the child.

37 SECTION 631. IC 31-37-17-3, AS AMENDED BY P.L.145-2006,
38 SECTION 341, IS AMENDED TO READ AS FOLLOWS
39 [EFFECTIVE JULY 1, 2008]: Sec. 3. The probation officer ~~or~~
40 ~~caseworker~~ shall collect information and prepare a financial report, in
41 the form prescribed by the department, on the parent or the estate of the
42 child to assist the juvenile court and the department in:

- 1 (1) determining the person's financial responsibility; and
 2 (2) obtaining federal reimbursement;
 3 for services provided for the child or the person.

4 SECTION 632. IC 31-37-17-4 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 4. **(a)** If consistent
 6 with the safety and best interest of the child and the community, the
 7 ~~person~~ **probation officer** preparing the report shall recommend care,
 8 treatment, rehabilitation, or placement that:

- 9 (1) is:
 10 (A) in the least restrictive (most family like) and most
 11 appropriate setting available; and
 12 (B) close to the parents' home, consistent with the best interest
 13 and special needs of the child;
 14 (2) least interferes with family autonomy;
 15 (3) is least disruptive of family life;
 16 (4) imposes the least restraint on the freedom of the child and the
 17 child's parent, guardian, or custodian; and
 18 (5) provides a reasonable opportunity for participation by the
 19 child's parent, guardian, or custodian.

20 **(b) If the report recommends a placement or services for which**
 21 **the department will be responsible for payment under IC 31-40-1,**
 22 **the report must include a risk assessment and needs assessment for**
 23 **the child. The probation officer shall submit to the department a**
 24 **copy of the report and the financial report prepared by the**
 25 **probation officer.**

26 **(c) If the report does not include the:**
 27 **(1) risk assessment and needs assessment required in**
 28 **subsection (b); or**
 29 **(2) information required to be provided under section 1(a)(3)**
 30 **of this chapter;**

31 **the department is not responsible to pay for programs, services, or**
 32 **placement for or on behalf of the child.**

33 SECTION 633. IC 31-37-17-6.1, AS AMENDED BY P.L.145-2006,
 34 SECTION 342, IS AMENDED TO READ AS FOLLOWS
 35 [EFFECTIVE JULY 1, 2008]: Sec. 6.1. (a) The predispositional report
 36 prepared by a probation officer ~~or caseworker shall~~ **must** include the
 37 following information:

- 38 (1) A description of all dispositional options considered in
 39 preparing the report.
 40 (2) An evaluation of each of the options considered in relation to
 41 the plan of care, treatment, rehabilitation, or placement
 42 recommended under the guidelines described in section 4 of this

1 chapter.

2 (3) The name, occupation and position, and any relationship to the
3 child of each person with whom the preparer of the report
4 conferred as provided in section 1.1 of this chapter.

5 **(4) The items required under section 1 of this chapter.**

6 (b) If a probation officer ~~or a caseworker~~ is considering a
7 out-of-home placement, including placement with a blood or an
8 adoptive relative caretaker, the probation officer ~~or caseworker~~ must
9 conduct a criminal history check (as defined in IC 31-9-2-22.5) for
10 each person who is currently residing in the location designated as the
11 out-of-home placement. The results of the criminal history check must
12 be included in the predispositional report.

13 (c) A probation officer ~~or caseworker~~ is not required to conduct a
14 criminal history check under this section if:

15 (1) the probation officer ~~or caseworker~~ is considering only an
16 out-of-home placement to an entity or a facility that:

17 (A) is not a residence (as defined in IC 3-5-2-42.5); or

18 (B) is licensed by the state; or

19 (2) placement under this section is undetermined at the time the
20 predispositional report is prepared.

21 SECTION 634. IC 31-37-18-4, AS AMENDED BY P.L.145-2006,
22 SECTION 343, IS AMENDED TO READ AS FOLLOWS
23 [EFFECTIVE JULY 1, 2008]: Sec. 4. If:

24 (1) a child is referred to a probate court;

25 (2) the juvenile court initiates a commitment proceeding; or

26 (3) the court transfers a commitment proceeding under
27 IC 12-26-1-4;

28 the juvenile court shall discharge the child or continue the court's
29 proceedings under the juvenile law. However, if the child is under the
30 custody or supervision of a ~~county office~~ or the department, the
31 juvenile court may not release the department from the obligations of
32 the department to the child pending the outcome of the proceeding
33 under IC 12-26.

34 SECTION 635. IC 31-37-18-5, AS AMENDED BY P.L.145-2006,
35 SECTION 344, IS AMENDED TO READ AS FOLLOWS
36 [EFFECTIVE JULY 1, 2008]: Sec. 5. If the court authorizes a child

37 who is under the custody or supervision of the department to be placed
38 in a state institution (as defined in IC 12-7-2-184) for voluntary
39 treatment in accordance with IC 12-26-3, the court may not release the
40 department from obligations of the department to the child until **the**

41 **earlier of:**

42 **(1) the date the child is discharged; or**

1 **(2) the date that** a parent, guardian, or other responsible person
2 approved by the court assumes the obligations.

3 SECTION 636. IC 31-37-18-9, AS AMENDED BY P.L.146-2006,
4 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JANUARY 1, 2009]: Sec. 9. (a) The juvenile court shall accompany
6 the court's dispositional decree with written findings and conclusions
7 upon the record concerning **approval, modification, or rejection of**
8 **the dispositional recommendations submitted in the**
9 **predispositional report, including the following specific findings:**

10 (1) The needs of the child for care, treatment, rehabilitation, or
11 placement.

12 (2) The need for participation by the parent, guardian, or
13 custodian in the plan of care for the child.

14 **(3) Efforts made, if the child is removed from the child's**
15 **parent, guardian, or custodian, to:**

16 (A) prevent the child's removal from; or

17 (B) reunite the child with;

18 **the child's parent, guardian, or custodian.**

19 **(4) Family services that were offered and provided to:**

20 (A) the child; or

21 (B) the child's parent, guardian, or custodian.

22 ~~(5)~~ (5) The court's reasons for the disposition.

23 **(b) If the department does not concur with the probation**
24 **officer's recommendations in the predispositional report and the**
25 **juvenile court does not follow the department's alternative**
26 **recommendations, the juvenile court shall accompany the court's**
27 **dispositional decree with written findings that the department's**
28 **recommendations contained in the predispositional report are:**

29 (1) unreasonable based on the facts and circumstances of the
30 case; or

31 (2) contrary to the welfare and best interests of the child.

32 ~~(b)~~ (c) The juvenile court may incorporate a finding or conclusion
33 from a predispositional report as a written finding or conclusion upon
34 the record in the court's dispositional decree.

35 **(d) If the juvenile court enters findings and a decree under**
36 **subsection (b), the department may appeal the juvenile court's**
37 **decree under any available procedure provided by the Indiana**
38 **Rules of Trial Procedure or Indiana Rules of Appellate Procedure**
39 **to allow any disputes arising under this section to be decided in an**
40 **expeditious manner.**

41 **(e) If the department prevails on appeal, the department shall**
42 **pay the following costs and expenses incurred by or on behalf of**

1 **the child before the date of the final decision:**

- 2 (1) any programs or services implemented during the appeal
 3 initiated under subsection (d), other than the cost of an
 4 out-of-home placement ordered by the juvenile court; and
 5 (2) any out-of-home placement ordered by the juvenile court
 6 and implemented after entry of the dispositional decree or
 7 modification order, if the juvenile court has made written
 8 findings that the placement is an emergency required to
 9 protect the health and welfare of the child.

10 **If the court has not made written findings that the placement is an**
 11 **emergency, the county in which the juvenile court is located is**
 12 **responsible for payment of all costs of the placement, including the**
 13 **cost of services and programs provided by the home or facility**
 14 **where the child was placed.**

15 SECTION 637. IC 31-37-19-1, AS AMENDED BY P.L.146-2006,
 16 SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JANUARY 1, 2009]: Sec. 1. (a) Subject to section 6.5 of this chapter,
 18 if a child is a delinquent child under IC 31-37-2, the juvenile court may
 19 enter one (1) or more of the following dispositional decrees:

- 20 (1) Order supervision of the child by the probation department. ~~or~~
 21 ~~the county office or the department.~~
 22 (2) Order the child to receive outpatient treatment:
 23 (A) at a social service agency or a psychological, a psychiatric,
 24 a medical, or an educational facility; or
 25 (B) from an individual practitioner.
 26 (3) Remove the child from the child's home and place the child in
 27 another home or shelter care facility. Placement under this
 28 subdivision includes authorization to control and discipline the
 29 child.
 30 (4) Award wardship to a:
 31 (A) person, **other than the department;** or
 32 (B) shelter care facility.
 33 (5) Partially or completely emancipate the child under section 27
 34 of this chapter.
 35 (6) Order:
 36 (A) the child; or
 37 (B) the child's parent, guardian, or custodian;
 38 to receive family services **or complete services approved by the**
 39 **department under IC 31-40-1.**
 40 (7) Order a person who is a party to refrain from direct or indirect
 41 contact with the child.

42 **(b) If the child is removed from the child's home and placed in**

- 1 a foster family home or another facility, the juvenile court shall:
- 2 (A) approve a permanency plan for the child;
- 3 (B) find whether or not reasonable efforts were made to
- 4 prevent or eliminate the need for the removal;
- 5 (C) designate responsibility for the placement and care of the
- 6 child with the probation department; and
- 7 (D) find whether it:
- 8 (i) serves the best interests of the child to be removed; and
- 9 (ii) would be contrary to the health and welfare of the child
- 10 for the child to remain in the home.
- 11 (c) If a dispositional decree under this section:
- 12 (1) orders or approves removal of a child from the child's
- 13 home or awards wardship of the child to a:
- 14 (A) person other than the department; or
- 15 (B) shelter care facility; and
- 16 (2) is the first court order in the delinquent child proceeding
- 17 that authorizes or approves removal of the child from the
- 18 child's parent, guardian, or custodian;
- 19 the court shall include in the decree the appropriate findings and
- 20 conclusions described in IC 31-37-6-6(f) and IC 31-37-6-6(g).
- 21 SECTION 638. IC 31-37-19-1.5 IS ADDED TO THE INDIANA
- 22 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 23 [EFFECTIVE JULY 1, 2008]: **Sec. 1.5. (a) This section applies to a**
- 24 **delinquent child if the child is placed in an out-of-home residence**
- 25 **or facility that is not a secure detention facility.**
- 26 **(b) The probation department, after negotiating with the child's**
- 27 **parent, guardian, or custodian, shall complete the child's case plan**
- 28 **not later than sixty (60) days after the earlier of:**
- 29 **(1) the date of the child's first placement; or**
- 30 **(2) the date of a dispositional decree.**
- 31 **(c) A copy of the completed case plan shall be sent to the**
- 32 **department and to the child's parent, guardian, or custodian not**
- 33 **later than ten (10) days after the plan's completion.**
- 34 **(d) A child's case plan must be in a form prescribed by the**
- 35 **department that meets the specifications set by 45 CFR 1356.21, as**
- 36 **amended. The case plan must include a description and discussion**
- 37 **of the following:**
- 38 **(1) A permanency plan for the child and an estimated date for**
- 39 **achieving the goal of the plan.**
- 40 **(2) The appropriate placement for the child based on the**
- 41 **child's special needs and best interests.**
- 42 **(3) The least restrictive family-like setting that is close to the**

1 **home of the child's parent, custodian, or guardian if**
 2 **out-of-home placement is implemented or recommended,**
 3 **including consideration of possible placement with any**
 4 **suitable and willing relative caretaker, before considering**
 5 **other out-of-home placements for the child.**

6 **(4) Family services recommended for the child, parent,**
 7 **guardian, or custodian.**

8 **(5) Efforts already made to provide family services to the**
 9 **child, parent, guardian, or custodian.**

10 **(6) Efforts that will be made to provide family services that**
 11 **are ordered by the court.**

12 **(e) Each caretaker of a child and the probation department shall**
 13 **cooperate in the development of the case plan for the child. The**
 14 **probation department shall discuss with at least one (1) foster**
 15 **parent or other caretaker of a child the role of the substitute**
 16 **caretaker or facility regarding the following:**

17 **(1) Rehabilitation of the child and the child's parents,**
 18 **guardians, and custodians.**

19 **(2) Visitation arrangements.**

20 **(3) Services required to meet the special needs of the child.**

21 **(f) The case plan must be reviewed and updated by the**
 22 **probation department at least once every one hundred eighty (180)**
 23 **days.**

24 SECTION 639. IC 31-37-19-3 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. **(a) A juvenile**
 26 **court may not place a child who is a delinquent child under IC 31-37-2**
 27 **in a shelter care facility that is located outside the child's county of**
 28 **residence unless:**

29 **(1) placement of the child in a shelter care facility with adequate**
 30 **services located in the child's county of residence is unavailable;**

31 **or**

32 **(2) the child's county of residence does not have an appropriate**
 33 **shelter care facility with adequate services.**

34 **(b) A juvenile court may not place a child in a home or facility**
 35 **that is not a secure detention facility and that is located outside**
 36 **Indiana unless:**

37 **(1) the placement is recommended or approved by the**
 38 **director of the department or the director's designee; or**

39 **(2) the court makes written findings based on clear and**
 40 **convincing evidence that:**

41 **(A) the out-of-state placement is appropriate because there**
 42 **is not a comparable facility with adequate services located**

1 **in Indiana; or**
 2 **(B) the location of the home or facility is within a distance**
 3 **not more than fifty (50) miles from the county of residence**
 4 **of the child.**

5 SECTION 640. IC 31-37-19-5, AS AMENDED BY P.L.1-2007,
 6 SECTION 208, IS AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) This section applies if a child
 8 is a delinquent child under IC 31-37-1.

9 (b) The juvenile court may, in addition to an order under section 6
 10 of this chapter, enter at least one (1) of the following dispositional
 11 decrees:

12 (1) Order supervision of the child by

13 ~~(A)~~ the probation department

14 ~~(B)~~ the county office; or

15 ~~(C)~~ the department.

16 as a condition of probation under this subdivision. The juvenile
 17 court shall after a determination under IC 11-8-8-5 require a child
 18 who is adjudicated a delinquent child for an act that would be an
 19 offense described in IC 11-8-8-5 if committed by an adult to
 20 register with the local law enforcement authority under IC 11-8-8.

21 (2) Order the child to receive outpatient treatment:

22 (A) at a social service agency or a psychological, a psychiatric,
 23 a medical, or an educational facility; or

24 (B) from an individual practitioner.

25 (3) Order the child to surrender the child's driver's license to the
 26 court for a specified period of time.

27 (4) Order the child to pay restitution if the victim provides
 28 reasonable evidence of the victim's loss, which the child may
 29 challenge at the dispositional hearing.

30 (5) Partially or completely emancipate the child under section 27
 31 of this chapter.

32 (6) Order the child to attend an alcohol and drug services program
 33 established under IC 12-23-14.

34 (7) Order the child to perform community restitution or service
 35 for a specified period of time.

36 (8) Order wardship of the child as provided in section 9 of this
 37 chapter.

38 SECTION 641. IC 31-37-19-6 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 6. (a) This section
 40 applies if a child is a delinquent child under IC 31-37-1.

41 (b) Except as provided in section 10 of this chapter and subject to
 42 section 6.5 of this chapter, the juvenile court may:

- 1 (1) enter any dispositional decree specified in section 5 of this
 2 chapter; and
- 3 (2) take any of the following actions:
- 4 (A) Award wardship to:
- 5 (i) the department of correction for housing in a correctional
 6 facility for children; or
- 7 (ii) a community based correctional facility for children.
- 8 Wardship under this subdivision does not include the right to
 9 consent to the child's adoption.
- 10 (B) If the child is less than seventeen (17) years of age, order
 11 confinement in a juvenile detention facility for not more than
 12 the lesser of:
- 13 (i) ninety (90) days; or
- 14 (ii) the maximum term of imprisonment that could have
 15 been imposed on the child if the child had been convicted as
 16 an adult offender for the act that the child committed under
 17 IC 31-37-1 (or IC 31-6-4-1(b)(1) before its repeal).
- 18 (C) If the child is at least seventeen (17) years of age, order
 19 confinement in a juvenile detention facility for not more than
 20 the lesser of:
- 21 (i) one hundred twenty (120) days; or
- 22 (ii) the maximum term of imprisonment that could have
 23 been imposed on the child if the child had been convicted as
 24 an adult offender for the act that the child committed under
 25 IC 31-37-1 (or IC 31-6-4-1(b)(1) before its repeal).
- 26 (D) Remove the child from the child's home and place the
 27 child in another home or shelter care facility. Placement under
 28 this subdivision includes authorization to control and
 29 discipline the child.
- 30 (E) Award wardship to a:
- 31 (i) person, **other than the department;** or
- 32 (ii) shelter care facility.
- 33 Wardship under this subdivision does not include the right to
 34 consent to the child's adoption.
- 35 (F) Place the child in a secure private facility for children
 36 licensed under the laws of a state. Placement under this
 37 subdivision includes authorization to control and discipline the
 38 child.
- 39 (G) Order a person who is a respondent in a proceeding under
 40 IC 31-37-16 (before its repeal) or IC 34-26-5 to refrain from
 41 direct or indirect contact with the child.
- 42 **(c) If a dispositional decree under this section:**

1 **(1) orders or approves removal of a child from the child's**
 2 **home, or awards wardship of the child to a:**

3 **(A) person, other than the department; or**

4 **(B) shelter care facility; and**

5 **(2) is the first court order in the delinquent child proceeding**
 6 **that authorizes or approves removal of the child from the**
 7 **child's parent, guardian, or custodian;**

8 **the juvenile court shall include in the decree the appropriate**
 9 **findings and conclusions described in IC 31-37-6-6(f) and**
 10 **IC 31-37-6-6(g).**

11 SECTION 642. IC 31-37-19-6.5, AS AMENDED BY P.L.1-2007,
 12 SECTION 209, IS AMENDED TO READ AS FOLLOWS
 13 [EFFECTIVE JULY 1, 2008]: Sec. 6.5. (a) Except as provided in
 14 subsection ~~(c)~~; **(d)**, the juvenile court may not enter a dispositional
 15 decree ~~placing~~ **approving placement of** a child in another home under
 16 section 1(3) or 6(b)(2)(D) of this chapter or awarding wardship to ~~the~~
 17 ~~county office or the department~~ **a person or facility** that results in a
 18 placement with a person under section 1(4) or 6(b)(2)(E) of this chapter
 19 if a person who is currently residing in the home in which the child
 20 would be placed under section 1(3), 1(4), 6(b)(2)(D), or 6(b)(2)(E) of
 21 this chapter has committed an act resulting in a substantiated report of
 22 child abuse or neglect, has a juvenile adjudication for an act that would
 23 be a felony listed in IC 31-27-4-13 if committed by an adult, or has a
 24 conviction for a felony listed in IC 31-27-4-13.

25 (b) The juvenile ~~court shall order the~~ probation officer ~~or~~
 26 ~~caseworker~~ who prepared the predispositional report ~~to~~ **shall** conduct
 27 a criminal history check (as defined in IC 31-9-2-22.5) to determine if
 28 a person described in subsection (a) has committed an act resulting in
 29 a substantiated report of child abuse or neglect, has a juvenile
 30 adjudication for an act that would be a felony listed in IC 31-27-4-13
 31 if committed by an adult, or has a conviction for a felony listed in
 32 IC 31-27-4-13. However, the ~~juvenile court~~ **probation officer** is not
 33 required to ~~order~~ **conduct** a criminal history check under this section
 34 if criminal history information **obtained** under IC 31-37-17-6.1
 35 establishes whether a person described in subsection (a) has committed
 36 an act resulting in a substantiated report of child abuse or neglect, has
 37 a juvenile adjudication for an act that would be a felony listed in
 38 IC 31-27-4-13 if committed by an adult, or has a conviction for a felony
 39 listed in IC 31-27-4-13.

40 **(c) The juvenile probation officer is not required to conduct a**
 41 **criminal history check under this section if:**

42 **(1) the probation officer is considering only an out-of-home**

1 **placement to an entity or a facility that:**

2 **(A) is not a residence (as defined in IC 3-5-2-42.5); or**

3 **(B) is licensed by the state; or**

4 **(2) placement under this section is undetermined at the time**
5 **the predispositional report is prepared.**

6 ~~(c)~~ **(d)** The juvenile court may enter a dispositional decree ~~placing~~
7 **approving placement of** a child in another home under section 1(3) or
8 6(b)(2)(D) of this chapter or awarding wardship to ~~the county office or~~
9 ~~the department~~ **a person or facility** that results in a placement with a
10 person under section 1(4) or 6(b)(2)(E) of this chapter if:

11 (1) a person described in subsection (a) has:

12 (A) committed an act resulting in a substantiated report of
13 child abuse or neglect; or

14 (B) been convicted or had a juvenile adjudication for:

15 (i) reckless homicide (IC 35-42-1-5);

16 (ii) battery (IC 35-42-2-1) as a Class C or D felony;

17 (iii) criminal confinement (IC 35-42-3-3) as a Class C or D
18 felony;

19 (iv) arson (IC 35-43-1-1) as a Class C or D felony;

20 (v) a felony involving a weapon under IC 35-47 or
21 IC 35-47.5 as a Class C or D felony;

22 (vi) a felony relating to controlled substances under
23 IC 35-48-4 as a Class C or D felony; or

24 (vii) a felony that is substantially equivalent to a felony
25 listed in items (i) through (vi) for which the conviction was
26 entered in another state; and

27 (2) the court makes a written finding that the person's commission
28 of the offense, delinquent act, or act of abuse or neglect described
29 in subdivision (1) is not relevant to the person's present ability to
30 care for a child, and that entry of a dispositional decree placing
31 the child in another home is in the best interest of the child.

32 However, a court may not enter a dispositional decree placing a child
33 in another home under section 1(3) or 6(b)(2)(D) of this chapter or
34 awarding wardship to ~~the county office or the department~~ **a person or**
35 **facility under this subsection** if ~~the~~ **a person with whom the child is**
36 **or will be placed** has been convicted of a felony listed in
37 IC 31-27-4-13 that is not specifically excluded under subdivision
38 (1)(B), or has a juvenile adjudication for an act that would be a felony
39 listed in IC 31-27-4-13 if committed by an adult that is not specifically
40 excluded under subdivision (1)(B).

41 ~~(d)~~ **(e)** In making its written finding under subsection ~~(c)~~; **(d)**, the
42 court shall consider the following:

1 (1) The length of time since the person committed the offense,
2 delinquent act, or act that resulted in the substantiated report of
3 abuse or neglect.

4 (2) The severity of the offense, delinquent act, or abuse or neglect.

5 (3) Evidence of the person's rehabilitation, including the person's
6 cooperation with a treatment plan, if applicable.

7 SECTION 643. IC 31-37-19-17.4, AS AMENDED BY
8 P.L.125-2007, SECTION 3, IS AMENDED TO READ AS FOLLOWS
9 [EFFECTIVE JANUARY 1, 2009]: Sec. 17.4. (a) This section applies
10 if a child is a delinquent child under IC 31-37-1 due to the commission
11 of a delinquent act that, if committed by an adult, would be an offense
12 relating to a criminal sexual act (as defined in IC 35-41-1-19.3).

13 (b) The juvenile court may, in addition to any other order or decree
14 the court makes under this chapter, order:

15 (1) the child; and

16 (2) the child's parent or guardian;

17 to receive psychological counseling as directed by the court, **subject to**
18 **the applicable provisions of IC 31-37-17-1.4 and IC 31-37-18-9.**

19 SECTION 644. IC 31-37-20-1, AS AMENDED BY P.L.145-2006,
20 SECTION 348, IS AMENDED TO READ AS FOLLOWS
21 [EFFECTIVE JULY 1, 2008]: Sec. 1. At any time after the date of an
22 original dispositional decree, the juvenile court may order ~~the~~
23 ~~department~~ or the probation department to file a report on the progress
24 made in implementing the decree. If, after reviewing the report, the
25 juvenile court seeks to consider modification of the dispositional
26 decree, the court shall proceed under IC 31-37-22.

27 SECTION 645. IC 31-37-20-2, AS AMENDED BY P.L.145-2006,
28 SECTION 349, IS AMENDED TO READ AS FOLLOWS
29 [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) The court shall hold a formal
30 hearing:

31 (1) every twelve (12) months after:

32 (A) the date of the original dispositional decree; or

33 (B) a delinquent child was removed from the child's parent,
34 guardian, or custodian;

35 whichever occurs first; or

36 (2) more often if ordered by the juvenile court.

37 (b) The court shall determine whether the dispositional decree
38 should be modified and whether the present placement is in the best
39 interest of the child. The court, in making the court's determination,
40 may consider the following:

41 (1) The services that have been provided or offered to a parent,
42 guardian, or custodian to facilitate a reunion.

1 (2) The extent to which the parent, guardian, or custodian has
2 enhanced the ability to fulfill parental obligations.

3 (3) The extent to which the parent, guardian, or custodian has
4 visited the child, including the reasons for infrequent visitation.

5 (4) The extent to which the parent, guardian, or custodian has
6 cooperated with the ~~department~~ or probation department.

7 (5) The child's recovery from any injuries suffered before
8 removal.

9 (6) Whether additional services are required for the child or the
10 child's parent, guardian, or custodian and, if so, the nature of the
11 services.

12 (7) The extent to which the child has been rehabilitated.

13 **(c) A review of the dispositional decree will be held at least once**
14 **every six (6) months, or more often, if ordered by the court. At the**
15 **review, the court shall determine whether or not the probation**
16 **department has made reasonable efforts to finalize a permanency**
17 **plan for the child, if required under IC 31-37-19-1.5.**

18 SECTION 646. IC 31-37-20-3 IS AMENDED TO READ AS
19 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) The court shall
20 hold a formal hearing on the question of continued jurisdiction:

21 (1) every eighteen (18) months after:

22 (A) the date of the original dispositional decree; or

23 (B) a delinquent child was removed from the child's parent,
24 guardian, or custodian;

25 whichever comes first; or

26 (2) more often if ordered by the juvenile court.

27 (b) The state must show that jurisdiction should continue by proving
28 that the objectives of the dispositional decree have not been
29 accomplished and that a continuation of the decree with or without
30 modifications has a probability of success.

31 (c) If the state does not sustain the state's burden for continued
32 jurisdiction, the court may:

33 (1) authorize a petition for termination of the parent-child
34 relationship; or

35 (2) discharge the child or the child's parent, guardian, or
36 custodian.

37 **(d) A jurisdictional review of the dispositional decree, including**
38 **a review of the child's permanency plan, if required under**
39 **IC 31-37-19-1.5, shall be held at least once every twelve (12)**
40 **months.**

41 SECTION 647. IC 31-37-20-4, AS AMENDED BY P.L.145-2006,
42 SECTION 350, IS AMENDED TO READ AS FOLLOWS

1 [EFFECTIVE JULY 1, 2008]: Sec. 4. Before a hearing under section
 2 2 or 3 of this chapter, the probation department ~~or the department~~ shall
 3 prepare a report in accordance with IC 31-37-21 on the progress made
 4 in implementing the dispositional decree.

5 SECTION 648. IC 31-37-21-1, AS AMENDED BY P.L.145-2006,
 6 SECTION 351, IS AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) Before a hearing under
 8 IC 31-37-20-2 or IC 31-37-20-3, the probation department ~~or the~~
 9 ~~department~~ shall prepare a report on the progress made in
 10 implementing the dispositional decree, including the progress made in
 11 rehabilitating the child, preventing placement out-of-home, ~~or~~ reuniting
 12 the family, **or finalizing another permanency plan as approved by**
 13 **the court.**

14 (b) Before preparing the report required by subsection (a), the
 15 probation department ~~or the department~~ shall consult a foster parent of
 16 the child about the child's progress made while in the foster parent's
 17 care.

18 (c) If modification of the dispositional decree is recommended, the
 19 probation department ~~or the department~~ shall prepare a modification
 20 report containing the information required by IC 31-37-17 and request
 21 a formal court hearing.

22 SECTION 649. IC 31-37-22-1, AS AMENDED BY P.L.145-2006,
 23 SECTION 352, IS AMENDED TO READ AS FOLLOWS
 24 [EFFECTIVE JULY 1, 2008]: Sec. 1. While the juvenile court retains
 25 jurisdiction under IC 31-30-2, the juvenile court may modify any
 26 dispositional decree:

27 (1) upon the juvenile court's own motion;

28 (2) upon the motion of:

29 (A) the child;

30 (B) the child's parent, guardian, custodian, or guardian ad
 31 litem;

32 (C) the probation officer; **or**

33 ~~(D) the caseworker;~~

34 ~~(E)~~ **(D)** the prosecuting attorney; or

35 ~~(F) the attorney for the department;~~ **or**

36 (3) upon the motion of any person providing services to the child
 37 or to the child's parent, guardian, or custodian under a decree of
 38 the court.

39 SECTION 650. IC 31-37-22-3 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) If the
 41 ~~petitioner motion~~ requests an emergency change in the child's
 42 residence, the **juvenile** court may issue a temporary order. However,

1 the ~~court~~ **probation officer** shall then give notice to the persons
 2 affected and **the juvenile court** shall hold a hearing on the question if
 3 requested.

4 (b) If the ~~petition motion~~ requests any other modification, the ~~court~~
 5 **probation officer** shall give notice to the persons affected and ~~may the~~
 6 **juvenile court shall** hold a hearing on the question.

7 (c) **The procedures specified in IC 31-37-17-1.4 and**
 8 **IC 31-37-18-9 apply to any modification of a dispositional decree**
 9 **under this chapter that requires or would require payment by the**
 10 **department, under IC 31-40-1, for any of the costs of programs,**
 11 **placements, or services for or on behalf of the child.**

12 SECTION 651. IC 31-37-22-5 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. If:

14 (1) a child is placed in a shelter care facility or other place of
 15 residence as part of a court order with respect to a delinquent act
 16 under IC 31-37-2-2;

17 (2) the child received a written warning of the consequences of a
 18 violation of the placement at the hearing during which the
 19 placement was ordered;

20 (3) the issuance of the warning was reflected in the records of the
 21 hearing;

22 (4) the child is not held in a juvenile detention facility for more
 23 than twenty-four (24) hours, excluding Saturdays, Sundays, and
 24 legal holidays, before the hearing at which it is determined that
 25 the child violated that part of the order concerning the child's
 26 placement in a shelter care facility or other place of residence;
 27 and

28 (5) the child's mental and physical condition may be endangered
 29 if the child is not placed in a secure facility;

30 the juvenile court may modify its disposition order with respect to the
 31 delinquent act and place the child in a public or private facility for
 32 children **under section 7 of this chapter.**

33 SECTION 652. IC 31-37-25-1, AS AMENDED BY P.L.145-2006,
 34 SECTION 356, IS AMENDED TO READ AS FOLLOWS
 35 [EFFECTIVE JULY 1, 2008]: Sec. 1. Any of the following may sign
 36 and file a petition for the juvenile court to require a person to refrain
 37 from direct or indirect contact with a child:

38 (1) The prosecuting attorney.

39 ~~(2) The attorney for the department.~~

40 ~~(3)~~ **(2)** A probation officer.

41 ~~(4) A caseworker.~~

42 ~~(5)~~ **(3)** The department of correction.

1 ~~(6)~~ **(4)** The guardian ad litem or court appointed special advocate.
 2 SECTION 653. IC 31-40-1-1 IS AMENDED TO READ AS
 3 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. This article
 4 applies to a financial burden sustained by a county as the result of costs
 5 paid by the county department under section 2 of this chapter,
 6 including costs resulting from the institutional placement of a child
 7 adjudicated a delinquent child or a child in need of services.

8 SECTION 654. IC 31-40-1-1.5 IS ADDED TO THE INDIANA
 9 CODE AS A NEW SECTION TO READ AS FOLLOWS
 10 [EFFECTIVE JANUARY 1, 2009]: Sec. 1.5. **(a) As used in this**
 11 **chapter, "costs of secure detention" includes all expenses relating**
 12 **to any of the following items:**

13 **(1) Construction, repair, operation, maintenance, and**
 14 **administration of a secure detention facility.**

15 **(2) Room, board, supervision, and support services for**
 16 **housing at a secure detention facility of a child who has been:**

17 **(A) taken into custody under IC 31-37-5 and placed in a**
 18 **secure detention facility for purposes of court proceedings**
 19 **under IC 31-37; or**

20 **(B) placed in a secure detention facility under**
 21 **IC 31-37-19-6 or IC 31-37-19-10;**

22 **if the court has not awarded wardship of the child to the**
 23 **department of correction.**

24 **(3) Services provided by the department, a county probation**
 25 **office, or any service provider contracted by the department**
 26 **or county probation office if the services are provided:**

27 **(A) to or for the benefit of the child;**

28 **(B) under or consistent with the terms of a dispositional**
 29 **decree entered in accordance with IC 31-37-19-6 or**
 30 **IC 31-37-19-10; and**

31 **(C) during the time the child is housed in a secure**
 32 **detention facility.**

33 **(b) As used in this chapter, "secure detention facility" includes:**

34 **(1) a juvenile detention center described in IC 31-31-8 or**
 35 **IC 31-31-9; or**

36 **(2) a secure facility, including any separate unit or structure,**
 37 **that is:**

38 **(A) not licensed by the department under IC 31-27; or**

39 **(B) located outside Indiana.**

40 **(c) As used in this chapter, "services" includes education,**
 41 **provision of necessary clothing and supplies, medical and dental**
 42 **care, counseling and remediation, or any other services or**

1 **programs included in a dispositional decree or case plan ordered**
 2 **or approved by the juvenile court for the benefit of a delinquent**
 3 **child under IC 31-37.**

4 SECTION 655. IC 31-40-1-2 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. (a) **Except as**
 6 **otherwise provided in this section and subject to:**

7 **(1) this chapter; and**

8 **(2) any other provisions of IC 31-34, IC 31-37, or other**
 9 **applicable law relating to the particular program, activity, or**
 10 **service for which payment is made by or through the**
 11 **department;**

12 the county department shall pay from the county state family and
 13 children's fund the cost of ~~(1)~~ any child services ordered by the juvenile
 14 court provided by or through the department for any child or the
 15 child's parent, guardian, or custodian. ~~other than secure detention; and~~

16 ~~(2)~~ **(b) The department shall pay the cost of returning a child**
 17 **under IC 31-37-23.**

18 ~~(b) The county fiscal body shall provide sufficient money to meet~~
 19 ~~the court's requirements.~~

20 **(c) Except as provided under section 2.5 of this chapter, the**
 21 **department is not responsible for payment of any costs of secure**
 22 **detention.**

23 **(d) The department is not responsible for payment of any costs**
 24 **or expenses for child services for a child if:**

25 **(1) the juvenile court has not entered the required findings**
 26 **and conclusions in accordance with IC 31-34-5-3,**
 27 **IC 31-34-20-1, IC 31-37-6-6, IC 31-37-19-1, or IC 31-37-19-6**
 28 **(whichever is applicable); and**

29 **(2) the department has determined that the child otherwise**
 30 **meets the eligibility requirements for assistance under Title**
 31 **IV-E of the federal Social Security Act (42 U.S.C. 670 et seq.).**

32 **(e) In all cases under this title, if the juvenile court orders**
 33 **services, programs, or placements that:**

34 **(1) are not eligible for federal assistance under either Title**
 35 **IV-B of the federal Social Security Act (42 U.S.C. 620 et seq.)**
 36 **or Title IV-E of the federal Social Security Act (42 U.S.C. 670**
 37 **et seq.); and**

38 **(2) have not been recommended or approved by the**
 39 **department;**

40 **the department is not responsible for payment of the costs of those**
 41 **services, programs, or placements.**

42 **(f) The department is not responsible for payment of any costs**

1 or expenses for housing or services provided to or for the benefit
 2 of a child placed by a juvenile court in a home or facility located
 3 outside Indiana, if the placement does not comply with the
 4 conditions stated in IC 31-34-20-1(b) or IC 31-37-19-3(b).

5 (g) The department is not responsible for payment of any costs
 6 or expenses of child services for a delinquent child under a
 7 dispositional decree entered under IC 31-37-19, if the probation
 8 officer who prepared the predispositional report did not submit to
 9 the department the information relating to determination of
 10 eligibility of the child for assistance under Title IV-E of the Social
 11 Security Act (42 U. S. C. 670 et seq.), as required by
 12 IC 31-37-17-1(a)(3).

13 (h) If:

14 (1) the department is not responsible for payment of costs or
 15 expenses of services, programs, or placements ordered by a
 16 court for a child or the child's parent, guardian, or custodian,
 17 as provided in this section; and

18 (2) another source of payment for those costs or expenses is
 19 not specified in this section or other applicable law;

20 the county in which the child in need of services case or
 21 delinquency case was filed is responsible for payment of those costs
 22 and expenses.

23 SECTION 656. IC 31-40-1-2.5 IS ADDED TO THE INDIANA
 24 CODE AS A NEW SECTION TO READ AS FOLLOWS
 25 [EFFECTIVE JANUARY 1, 2009]: Sec. 2.5. (a) This section applies
 26 to a child who is:

27 (1) adjudicated a child in need of services under IC 31-34;

28 (2) a party in a pending child in need of services proceeding
 29 under the jurisdiction of a juvenile court;

30 (3) receiving services for which payment has been made by
 31 the department under a case plan and a dispositional decree
 32 in the child in need of services proceeding; and

33 (4) placed in a secure detention facility by order of a juvenile
 34 court, based on a determination by the juvenile court that the
 35 child committed or that probable cause exists to believe that
 36 the child committed a delinquent act described in
 37 IC 31-37-1-2 at a time after adjudication in the child in need
 38 of services case.

39 (b) The department may, by agreement with the probation
 40 office of the juvenile court in which the delinquency case is
 41 pending, pay the cost of specified services for a child described in
 42 subsection (a), during the time the child is placed in a secure

1 **detention facility.**

2 **(c) An agreement under this section must specify:**

3 **(1) the particular services that will be paid by the department**
 4 **during the time the child is placed in a secure detention**
 5 **facility;**

6 **(2) the term of the agreement;**

7 **(3) any procedure or limitations relating to amendment or**
 8 **extension of the agreement; and**

9 **(4) any other provision that the parties consider necessary or**
 10 **appropriate.**

11 **(d) The child's case plan in a child in need of services case, as**
 12 **prepared and approved by the department under IC 31-34-15,**
 13 **shall be attached to and made a part of the agreement.**

14 **(e) An agreement under this section:**

15 **(1) shall be signed by:**

16 **(A) the director of the department; and**

17 **(B) the judge of the juvenile court that ordered or**
 18 **approved placement of the child in the secure detention**
 19 **facility; and**

20 **(2) may not be considered to be a contract for purposes of**
 21 **IC 4-13-2.**

22 SECTION 657. IC 31-40-1-3 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) A parent or
 24 guardian of the estate of:

25 **(1) a child adjudicated a delinquent child or a child in need of**
 26 **services; or**

27 **(2) a participant in a program of informal adjustment**
 28 **approved by a juvenile court under IC 31-34-8 or IC 31-37-9;**

29 is financially responsible as provided in this chapter (or
 30 IC 31-6-4-18(e) before its repeal) for any services ~~ordered by the court:~~
 31 **provided by or through the department.**

32 (b) Each ~~parent of a child alleged to be a child in need of services~~
 33 ~~or alleged to be a delinquent child~~ **person described in subsection (a)**
 34 **shall, before a dispositional hearing under subsection (c) concerning**
 35 **payment or reimbursement of costs, furnish the court and the**
 36 **department with an accurately completed and current child support**
 37 **obligation worksheet on the same form that is prescribed by the Indiana**
 38 **supreme court for child support orders.**

39 (c) At:

40 (1) a detention hearing;

41 (2) a hearing that is held after the payment of costs by ~~a county~~
 42 **the state** under section 2 of this chapter (or IC 31-6-4-18(b))

- 1 before its repeal);
 2 (3) the dispositional hearing; or
 3 (4) any other hearing to consider modification of a dispositional
 4 decree;

5 the juvenile court shall order the child's parents or the guardian of the
 6 child's estate to pay for, or reimburse the **county department** for the
 7 cost of services provided to the child or the parent or guardian unless
 8 the court ~~finds~~ **makes a specific finding** that the parent or guardian is
 9 unable to pay or that justice would not be served by ordering payment
 10 from the parent or guardian.

11 SECTION 658. IC 31-40-1-4 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 4. The parent or
 13 guardian of the estate of any child returned to Indiana under the
 14 interstate compact on juveniles under IC 31-37-23 shall reimburse the
 15 **county department** for all costs involved in returning the child that the
 16 court orders the parent or guardian to pay under section 3 of this
 17 chapter (or IC 31-6-4-18(e) before its repeal) whether or not the child
 18 has been adjudicated a delinquent child or a child in need of services.

19 SECTION 659. IC 31-40-1-5, AS AMENDED BY P.L.145-2006,
 20 SECTION 362, IS AMENDED TO READ AS FOLLOWS
 21 [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) This section applies
 22 whenever the court ~~orders or~~ approves removal of a child from the
 23 home of a child's parent or guardian and ~~placement of the department~~
 24 **places** the child in a child caring institution, (~~as defined in~~
 25 ~~IC 31-9-2-16.7~~); a foster family home, (~~as defined in IC 31-9-2-46.9~~);
 26 **a group home**, or the home of a relative of the child that is not a foster
 27 family home.

28 (b) If an existing support order is in effect, the **juvenile** court shall
 29 order the support payments to be assigned to the ~~county office~~
 30 **department** for the duration of the placement out of the home of the
 31 child's parent or guardian. The **juvenile** court shall notify the court that:

- 32 (1) entered the existing support order; or
 33 (2) had jurisdiction, immediately before the placement, to modify
 34 or enforce the existing support order;

35 of the assignment and assumption of jurisdiction by the juvenile court
 36 under this section.

37 (c) If an existing support order is not in effect, the court shall do the
 38 following:

- 39 (1) Include in the order for ~~removal or out-of-home~~ placement of
 40 the child an assignment to the ~~county office~~, **department** or
 41 confirmation of an assignment that occurs or is required under
 42 applicable federal law, of any rights to support, including support

1 for the cost of any medical care payable by the state under
 2 IC 12-15, from any parent or guardian who has a legal obligation
 3 to support the child.

4 (2) Order support paid to the ~~county office~~ **department** by each
 5 of the child's parents or the guardians of the child's estate to be
 6 based on child support guidelines adopted by the Indiana supreme
 7 court and for the duration of the placement of the child out of the
 8 home of the child's parent or guardian, unless:

9 (A) the court finds that entry of an order based on the child
 10 support guidelines would be unjust or inappropriate
 11 considering the best interests of the child and other necessary
 12 obligations of the child's family; or

13 (B) the ~~county office~~ **department** does not make foster care
 14 maintenance payments to the custodian of the child. For
 15 purposes of this clause, "foster care maintenance payments"
 16 means any payments for the cost of (in whole or in part) ~~and~~
 17 ~~the cost of~~ providing food, clothing, shelter, daily supervision,
 18 school supplies, a child's personal incidentals, liability
 19 insurance with respect to a child, and reasonable amounts for
 20 travel to the child's home for visitation. In the case of a child
 21 caring institution, the term also includes the reasonable costs
 22 of administration and operation of the institution as are
 23 necessary to provide the items described in this clause.

24 (3) If the court:

25 (A) does not enter a support order; or

26 (B) enters an order that is not based on the child support
 27 guidelines;

28 the court shall make findings as required by 45 CFR 302.56(g).

29 (d) Payments in accordance with a support order assigned under
 30 subsection (b) or entered under subsection (c) (or IC 31-6-4-18(f)
 31 before its repeal) shall be paid through the clerk of the circuit court as
 32 trustee for remittance to the ~~county office~~ **department**.

33 (e) The Title IV-D agency shall establish, modify, or enforce a
 34 support order assigned or entered by a court under this section in
 35 accordance with IC 31-25-3, IC 31-25-4, and 42 U.S.C. 654. The
 36 ~~county office~~ **department** shall, if requested, assist the Title IV-D
 37 agency in performing its duties under this subsection.

38 (f) If the juvenile court terminates placement of a child out of the
 39 home of the child's parent or guardian, the court shall:

40 (1) notify the court that:

41 (A) entered a support order assigned to the ~~county office~~
 42 **department** under subsection (b); or

- 1 (B) had jurisdiction, immediately before the placement, to
 2 modify or enforce the existing support order;
 3 of the termination of jurisdiction of the juvenile court with respect
 4 to the support order;
- 5 (2) terminate a support order entered under subsection (c) that
 6 requires payment of support by a custodial parent or guardian of
 7 the child, with respect to support obligations that accrue after
 8 termination of the placement; or
- 9 (3) continue in effect, subject to modification or enforcement by
 10 a court having jurisdiction over the obligor, a support order
 11 entered under subsection (c) that requires payment of support by
 12 a noncustodial parent or guardian of the estate of the child.

13 (g) The court may at or after a hearing described in section 3 of this
 14 chapter order the child's parent or the guardian of the child's estate to
 15 reimburse the ~~county office~~ **department** for all or any portion of the
 16 expenses for services provided to or for the benefit of the child that are
 17 paid ~~from the county family and children's fund by the department~~
 18 during the placement of the child out of the home of the parent or
 19 guardian, in addition to amounts reimbursed through payments in
 20 accordance with a support order assigned or entered as provided in this
 21 section, subject to applicable federal law.

22 SECTION 660. IC 31-40-1-6, AS AMENDED BY P.L.145-2006,
 23 SECTION 363, IS AMENDED TO READ AS FOLLOWS
 24 [EFFECTIVE JANUARY 1, 2009]: Sec. 6. (a) The department ~~with the~~
 25 ~~approval of the county fiscal body~~; may contract with any of the
 26 following, on terms and conditions with respect to compensation and
 27 payment or reimbursement of expenses as the department may
 28 determine, for the enforcement and collection of any parental
 29 reimbursement obligation established by order entered by the court
 30 under section 3 or 5(g) of this chapter:

- 31 (1) The prosecuting attorney of the county ~~that paid the cost of the~~
 32 ~~services ordered by the court~~; as provided in section 2 of this
 33 ~~chapter: in which the juvenile court that ordered or approved~~
 34 **the services is located or in which the obligor resides.**
- 35 (2) An attorney ~~for the department on behalf of the county office~~
 36 ~~that paid the cost of services ordered by the court~~, **licensed to**
 37 **practice law in Indiana**, if the attorney is not an employee of the
 38 ~~county office or the department.~~
- 39 ~~(3) An attorney licensed to practice law in Indiana.~~

40 (b) A contract entered into under this section is subject to approval
 41 under IC 4-13-2-14.1.

42 (c) Any fee payable to a prosecuting attorney under a contract under

1 subsection (a)(1) shall be deposited in the county general fund and
 2 credited to a separate account identified as the prosecuting attorney's
 3 child services collections account. The prosecuting attorney may
 4 expend funds credited to the prosecuting attorney's child services
 5 collections account, without appropriation, only for the purpose of
 6 supporting and enhancing the functions of the prosecuting attorney in
 7 enforcement and collection of parental obligations to reimburse the
 8 ~~county family and children's fund~~; **department**.

9 SECTION 661. IC 31-40-1-7, AS AMENDED BY P.L.145-2006,
 10 SECTION 364, IS AMENDED TO READ AS FOLLOWS
 11 [EFFECTIVE JANUARY 1, 2009]: Sec. 7. ~~(a)~~ Amounts received as
 12 payment of support or reimbursement of the cost of services paid as
 13 provided in this chapter shall be distributed in the following manner:

14 (1) If any part of the cost of services was paid from federal funds
 15 under Title IV Part E of the Social Security Act (42 U.S.C. 671 et
 16 seq.), the amounts received shall first be applied as provided in 42
 17 U.S.C. 657 and 45 CFR 302.52.

18 (2) All amounts remaining after the distributions required by
 19 subdivision (1) shall be deposited in the **state** family and
 20 children's fund ~~(established by IC 12-19-7-3)~~ of the county that
 21 paid the cost of the services.

22 ~~(b) Any money deposited in a county family and children's fund~~
 23 ~~under this section shall be reported to the department; in the form and~~
 24 ~~manner prescribed by the department; and shall be applied to the child~~
 25 ~~services budget compiled and adopted by the county director for the~~
 26 ~~next state fiscal year; in accordance with IC 12-19-7-6.~~

27 SECTION 662. IC 31-40-4-1 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. If the parent or
 29 guardian of the estate:

30 (1) defaults in reimbursing the ~~county~~; **department**; or

31 (2) fails to pay a fee authorized by this article;

32 the juvenile court may find the parent or guardian in contempt and
 33 enter judgment for the amount due.

34 SECTION 663. IC 32-21-2-13, AS AMENDED BY P.L.219-2007,
 35 SECTION 100, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE JULY 1, 2008]: Sec. 13. (a) Except as provided in
 37 subsection (c), if the auditor of the county or the township assessor (**if**
 38 **any**) under IC 6-1.1-5-9 and IC 6-1.1-5-9.1 determines it necessary, an
 39 instrument transferring fee simple title to less than the whole of a tract
 40 that will result in the division of the tract into at least two (2) parcels
 41 for property tax purposes may not be recorded unless the auditor or
 42 township assessor is furnished a drawing or other reliable evidence of

1 the following:

- 2 (1) The number of acres in each new tax parcel being created.
 3 (2) The existence or absence of improvements on each new tax
 4 parcel being created.
 5 (3) The location within the original tract of each new tax parcel
 6 being created.

7 (b) Any instrument that is accepted for recording and placed of
 8 record that bears the endorsement required by IC 36-2-11-14 is
 9 presumed to comply with this section.

10 (c) If the duties of the township assessor have been transferred to the
 11 county assessor as described in IC 6-1.1-1-24, a reference to the
 12 township assessor in this section is considered to be a reference to the
 13 county assessor.

14 SECTION 664. IC 32-28-3-1, AS AMENDED BY P.L.219-2007,
 15 SECTION 101, IS AMENDED TO READ AS FOLLOWS
 16 [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) A contractor, a subcontractor,
 17 a mechanic, a lessor leasing construction and other equipment and
 18 tools, whether or not an operator is also provided by the lessor, a
 19 journeyman, a laborer, or any other person performing labor or
 20 furnishing materials or machinery, including the leasing of equipment
 21 or tools, for:

- 22 (1) the erection, alteration, repair, or removal of:
 23 (A) a house, mill, manufactory, or other building; or
 24 (B) a bridge, reservoir, system of waterworks, or other
 25 structure;
 26 (2) the construction, alteration, repair, or removal of a walk or
 27 sidewalk located on the land or bordering the land, a stile, a well,
 28 a drain, a drainage ditch, a sewer, or a cistern; or
 29 (3) any other earth moving operation;

30 may have a lien as set forth in this section.

31 (b) A person described in subsection (a) may have a lien separately
 32 or jointly:

- 33 (1) upon the house, mill, manufactory, or other building, bridge,
 34 reservoir, system of waterworks, or other structure, sidewalk,
 35 walk, stile, well, drain, drainage ditch, sewer, cistern, or earth:
 36 (A) that the person erected, altered, repaired, moved, or
 37 removed; or
 38 (B) for which the person furnished materials or machinery of
 39 any description; and
 40 (2) on the interest of the owner of the lot or parcel of land:
 41 (A) on which the structure or improvement stands; or
 42 (B) with which the structure or improvement is connected;

1 to the extent of the value of any labor done or the material furnished,
2 or both, including any use of the leased equipment and tools.

3 (c) All claims for wages of mechanics and laborers employed in or
4 about a shop, mill, wareroom, storeroom, manufactory or structure,
5 bridge, reservoir, system of waterworks or other structure, sidewalk,
6 walk, stile, well, drain, drainage ditch, cistern, or any other earth
7 moving operation shall be a lien on all the:

- 8 (1) machinery;
- 9 (2) tools;
- 10 (3) stock;
- 11 (4) material; or
- 12 (5) finished or unfinished work;

13 located in or about the shop, mill, wareroom, storeroom, manufactory
14 or other building, bridge, reservoir, system of waterworks, or other
15 structure, sidewalk, walk, stile, well, drain, drainage ditch, sewer,
16 cistern, or earth used in a business.

17 (d) If the person, firm, limited liability company, or corporation
18 described in subsection (a) or (c) is in failing circumstances, the claims
19 described in this section shall be preferred debts whether a claim or
20 notice of lien has been filed.

21 (e) Subject to subsection (f), a contract:

- 22 (1) for the construction, alteration, or repair of a Class 2 structure
23 (as defined in IC 22-12-1-5);
- 24 (2) for the construction, alteration, or repair of an improvement on
25 the same real estate auxiliary to a Class 2 structure (as defined in
26 IC 22-12-1-5);
- 27 (3) for the construction, alteration, or repair of property that is:
 - 28 (A) owned, operated, managed, or controlled by a:
 - 29 (i) public utility (as defined in IC 8-1-2-1);
 - 30 (ii) municipally owned utility (as defined in IC 8-1-2-1);
 - 31 (iii) joint agency (as defined in IC 8-1-2.2-2);
 - 32 (iv) rural electric membership corporation formed under
33 IC 8-1-13-4;
 - 34 (v) rural telephone cooperative corporation formed under
35 IC 8-1-17; or
 - 36 (vi) not-for-profit utility (as defined in IC 8-1-2-125);
 - 37 regulated under IC 8; and
 - 38 (B) intended to be used and useful for the production,
39 transmission, delivery, or furnishing of heat, light, water,
40 telecommunications services, or power to the public; or
- 41 (4) to prepare property for Class 2 residential construction;
- 42 may include a provision or stipulation in the contract of the owner and

1 principal contractor that a lien may not attach to the real estate,
2 building, structure or any other improvement of the owner.

3 (f) A contract containing a provision or stipulation described in
4 subsection (e) must meet the requirements of this subsection to be valid
5 against subcontractors, mechanics, journeymen, laborers, or persons
6 performing labor upon or furnishing materials or machinery for the
7 property or improvement of the owner. The contract must:

- 8 (1) be in writing;
9 (2) contain specific reference by legal description of the real
10 estate to be improved;
11 (3) be acknowledged as provided in the case of deeds; and
12 (4) be filed and recorded in the recorder's office of the county in
13 which the real estate, building, structure, or other improvement is
14 situated not more than five (5) days after the date of execution of
15 the contract.

16 A contract containing a provision or stipulation described in subsection
17 (e) does not affect a lien for labor, material, or machinery supplied
18 before the filing of the contract with the recorder.

19 (g) Upon the filing of a contract under subsection (f), the recorder
20 shall:

- 21 (1) record the contract at length in the order of the time it was
22 received in books provided by the recorder for that purpose;
23 (2) index the contract in the name of the:
24 (A) contractor; and
25 (B) owner;
26 in books kept for that purpose; and
27 (3) collect a fee for recording the contract as is provided for the
28 recording of deeds and mortgages.

29 (h) A person, firm, partnership, limited liability company, or
30 corporation that sells or furnishes on credit any material, labor, or
31 machinery for the alteration or repair of an owner occupied single or
32 double family dwelling or the appurtenances or additions to the
33 dwelling to:

- 34 (1) a contractor, subcontractor, mechanic; or
35 (2) anyone other than the occupying owner or the owner's legal
36 representative;

37 must furnish to the occupying owner of the parcel of land where the
38 material, labor, or machinery is delivered a written notice of the
39 delivery or work and of the existence of lien rights not later than thirty
40 (30) days after the date of first delivery or labor performed. The
41 furnishing of the notice is a condition precedent to the right of
42 acquiring a lien upon the lot or parcel of land or the improvement on

1 the lot or parcel of land.

2 (i) A person, firm, partnership, limited liability company, or
3 corporation that sells or furnishes on credit material, labor, or
4 machinery for the original construction of a single or double family
5 dwelling for the intended occupancy of the owner upon whose real
6 estate the construction takes place to a contractor, subcontractor,
7 mechanic, or anyone other than the owner or the owner's legal
8 representatives must:

9 (1) furnish the owner of the real estate:

10 (A) as named in the latest entry in the transfer books described
11 in IC 6-1.1-5-4 of the county auditor; or

12 (B) if IC 6-1.1-5-9 applies, as named in the transfer books of
13 the township assessor (**if any**) or the county assessor;

14 with a written notice of the delivery or labor and the existence of
15 lien rights not later than sixty (60) days after the date of the first
16 delivery or labor performed; and

17 (2) file a copy of the written notice in the recorder's office of the
18 county not later than sixty (60) days after the date of the first
19 delivery or labor performed.

20 The furnishing and filing of the notice is a condition precedent to the
21 right of acquiring a lien upon the real estate or upon the improvement
22 constructed on the real estate.

23 (j) A lien for material or labor in original construction does not
24 attach to real estate purchased by an innocent purchaser for value
25 without notice of a single or double family dwelling for occupancy by
26 the purchaser unless notice of intention to hold the lien is recorded
27 under section 3 of this chapter before recording the deed by which the
28 purchaser takes title.

29 SECTION 665. IC 32-28-3-3, AS AMENDED BY P.L.219-2007,
30 SECTION 102, IS AMENDED TO READ AS FOLLOWS
31 [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) Except as provided in
32 subsection (b), a person who wishes to acquire a lien upon property,
33 whether the claim is due or not, must file in duplicate a sworn
34 statement and notice of the person's intention to hold a lien upon the
35 property for the amount of the claim:

36 (1) in the recorder's office of the county; and

37 (2) not later than ninety (90) days after performing labor or
38 furnishing materials or machinery described in section 1 of this
39 chapter.

40 The statement and notice of intention to hold a lien may be verified and
41 filed on behalf of a client by an attorney registered with the clerk of the
42 supreme court as an attorney in good standing under the requirements

1 of the supreme court.

2 (b) This subsection applies to a person that performs labor or
 3 furnishes materials or machinery described in section 1 of this chapter
 4 related to a Class 2 structure (as defined in IC 22-12-1-5) or an
 5 improvement on the same real estate auxiliary to a Class 2 structure (as
 6 defined in IC 22-12-1-5). A person who wishes to acquire a lien upon
 7 property, whether the claim is due or not, must file in duplicate a sworn
 8 statement and notice of the person's intention to hold a lien upon the
 9 property for the amount of the claim:

- 10 (1) in the recorder's office of the county; and
 11 (2) not later than sixty (60) days after performing labor or
 12 furnishing materials or machinery described in section 1 of this
 13 chapter.

14 The statement and notice of intention to hold a lien may be verified and
 15 filed on behalf of a client by an attorney registered with the clerk of the
 16 supreme court as an attorney in good standing under the requirements
 17 of the supreme court.

18 (c) A statement and notice of intention to hold a lien filed under this
 19 section must specifically set forth:

- 20 (1) the amount claimed;
 21 (2) the name and address of the claimant;
 22 (3) the owner's:
 23 (A) name; and
 24 (B) latest address as shown on the property tax records of the
 25 county; and
 26 (4) the:
 27 (A) legal description; and
 28 (B) street and number, if any;
 29 of the lot or land on which the house, mill, manufactory or other
 30 buildings, bridge, reservoir, system of waterworks, or other
 31 structure may stand or be connected with or to which it may be
 32 removed.

33 The name of the owner and legal description of the lot or land will be
 34 sufficient if they are substantially as set forth in the latest entry in the
 35 transfer books described in IC 6-1.1-5-4 of the county auditor or, if
 36 IC 6-1.1-5-9 applies, the transfer books of the township assessor (**if**
 37 **any**) or the county assessor at the time of filing of the notice of
 38 intention to hold a lien.

39 (d) The recorder shall:

- 40 (1) mail, first class, one (1) of the duplicates of the statement and
 41 notice of intention to hold a lien to the owner named in the
 42 statement and notice not later than three (3) business days after

- 1 recordation;
- 2 (2) post records as to the date of the mailing; and
- 3 (3) collect a fee of two dollars (\$2) from the lien claimant for each
- 4 statement and notice that is mailed.

5 The statement and notice shall be addressed to the latest address of the

6 owner as specifically set out in the sworn statement and notice of the

7 person intending to hold a lien upon the property.

8 SECTION 666. IC 33-37-8-5, AS AMENDED BY P.L.60-2006,

9 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

10 JANUARY 1, 2009]: Sec. 5. (a) A county user fee fund is established

11 in each county to finance various program services. The county fund is

12 administered by the county auditor.

13 (b) The county fund consists of the following fees collected by a

14 clerk under this article and by the probation department for the juvenile

15 court under ~~IC 31-34-8-8~~ or IC 31-37-9-9:

- 16 (1) The pretrial diversion program fee.
- 17 (2) The informal adjustment program fee.
- 18 (3) The marijuana eradication program fee.
- 19 (4) The alcohol and drug services program fee.
- 20 (5) The law enforcement continuing education program fee.
- 21 (6) The deferral program fee.
- 22 (7) The jury fee.
- 23 (8) The drug court fee.
- 24 (9) The reentry court fee.

25 (c) All of the jury fee and two dollars (\$2) of a deferral program fee

26 collected under IC 33-37-4-2(e) shall be deposited by the county

27 auditor in the jury pay fund established under IC 33-37-11.

28 SECTION 667. IC 33-38-9-8 IS AMENDED TO READ AS

29 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 8. (a) The Indiana

30 judicial center shall maintain a roster of in-state facilities that have the

31 expertise to provide child services (as defined in ~~IC 12-19-7-1~~)

32 **IC 31-9-2-17.8**) in a residential setting to:

- 33 (1) children in need of services (as described in IC 31-34-1); or
- 34 (2) delinquent children (as described in IC 31-37-1 and
- 35 IC 31-37-2).

36 (b) The roster under subsection (a) must include the information

37 necessary to allow a court having juvenile jurisdiction to select an

38 in-state placement of a child instead of placing the child in an

39 out-of-state facility under IC 31-34 or IC 31-37. The roster must

40 include at least the following information:

- 41 (1) Name, address, and telephone number of each facility.
- 42 (2) Owner and contact person for each facility.

1 (3) Description of the child services that each facility provides
 2 and any limitations that the facility imposes on acceptance of a
 3 child placed by a juvenile court.

4 (4) Number of children that each facility can serve on a
 5 residential basis.

6 (5) Number of residential openings at each facility.

7 (c) The Indiana judicial center shall revise the information in the
 8 roster at least monthly.

9 (d) The Indiana judicial center shall make the information in the
 10 roster readily available to courts with juvenile jurisdiction.

11 SECTION 668. IC 34-30-2-46 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 46. IC 12-19-2-2
 13 (Concerning ~~members of the state board~~, officers and ~~other~~ employees
 14 of the ~~state and county departments of public welfare~~; **division of**
 15 **family resources, including the local offices of the division of family**
 16 **resources.**

17 SECTION 669. IC 34-30-2-133.6 IS ADDED TO THE INDIANA
 18 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 19 [EFFECTIVE UPON PASSAGE]: **Sec. 133.6. IC 31-25-2-2.5**
 20 **(Concerning the officers and other employees of the department of**
 21 **child services).**

22 SECTION 670. IC 34-17-2-1 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. **(a)** An information
 24 described in IC 34-17-1-1 may be filed:

25 (1) by the prosecuting attorney in the circuit court of the proper
 26 county, upon the prosecuting attorney's own relation, whenever
 27 the prosecuting attorney:

28 (A) determines it to be the prosecuting attorney's duty to do so;
 29 or

30 (B) is directed by the court or other competent authority; or
 31 (2) by any other person on the person's own relation, whenever
 32 the person claims an interest in the office, franchise, or
 33 corporation that is the subject of the information.

34 **(b) The prosecuting attorney shall file an information in the**
 35 **circuit court of the county against the county assessor or a**
 36 **township assessor under IC 34-17-1-1(2) if:**

37 **(1) the board of county commissioners adopts an ordinance**
 38 **under IC 6-1.1-4-31(f); or**

39 **(2) the city-county council adopts an ordinance under**
 40 **IC 6-1.1-4-31(g).**

41 SECTION 671. IC 35-41-1-3.1 IS ADDED TO THE INDIANA
 42 CODE AS A **NEW** SECTION TO READ AS FOLLOWS

1 [EFFECTIVE JANUARY 1, 2009]: **Sec. 3.1. "Apartment complex"**
 2 **means real property consisting of at least five (5) units that are**
 3 **regularly used to rent or otherwise furnish residential**
 4 **accommodations for periods of at least thirty (30) days.**

5 SECTION 672. IC 35-41-1-10.5, AS AMENDED BY P.L.26-2006,
 6 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JANUARY 1, 2009]: Sec. 10.5. "Family housing complex" means a
 8 building or series of buildings:

9 (1) that contains at least twelve (12) dwelling units:

10 (A) where children are domiciled or are likely to be domiciled;

11 and

12 (B) that are owned by a governmental unit or political
 13 subdivision;

14 (2) that is operated as a hotel or motel (as described in
 15 IC 22-11-18-1);

16 (3) that is operated as an apartment complex; ~~(as defined in~~
 17 ~~IC 6-1.1-20.6-1);~~ or

18 (4) that contains subsidized housing.

19 SECTION 673. IC 35-46-1-9, AS AMENDED BY P.L.146-2007,
 20 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 UPON PASSAGE]: Sec. 9. (a) Except as provided in subsection (b), a
 22 person who, with respect to an adoption, transfers or receives any
 23 property in connection with the waiver of parental rights, the
 24 termination of parental rights, the consent to adoption, or the petition
 25 for adoption commits profiting from an adoption, a Class D felony.

26 (b) This section does not apply to the transfer or receipt of:

27 (1) reasonable attorney's fees;

28 (2) hospital and medical expenses concerning childbirth and
 29 pregnancy incurred by the adopted person's birth mother;

30 (3) reasonable charges and fees levied by a child placing agency
 31 licensed under IC 31-27 or by a county office or the department
 32 of child services;

33 (4) reasonable expenses for psychological counseling relating to
 34 adoption incurred by the adopted person's birth parents;

35 (5) reasonable costs of housing, utilities, and phone service for the
 36 adopted person's birth mother during the second or third trimester
 37 of pregnancy and not more than six (6) weeks after childbirth;

38 (6) reasonable costs of maternity clothing for the adopted person's
 39 birth mother;

40 (7) reasonable travel expenses incurred by the adopted person's
 41 birth mother that relate to the pregnancy or adoption;

42 (8) any additional itemized necessary living expenses for the

1 adopted person's birth mother during the second or third trimester
2 of pregnancy and not more than six (6) weeks after childbirth, not
3 listed in subdivisions (5) through (7) in an amount not to exceed
4 one thousand dollars (\$1,000); or
5 (9) other charges and fees approved by the court supervising the
6 adoption, including reimbursement of not more than actual wages
7 lost as a result of the inability of the adopted person's birth mother
8 to work at her regular, existing employment due to a medical
9 condition, excluding a psychological condition, if:

10 (A) the attending physician of the adopted person's birth
11 mother has ordered or recommended that the adopted person's
12 birth mother discontinue her employment; and

13 (B) the medical condition and its direct relationship to the
14 pregnancy of the adopted person's birth mother are
15 documented by her attending physician.

16 In determining the amount of reimbursable lost wages, if any, that are
17 reasonably payable to the adopted person's birth mother under
18 subdivision (9), the court shall offset against the reimbursable lost
19 wages any amounts paid to the adopted person's birth mother under
20 subdivisions (5) and (8) and any unemployment compensation received
21 by or owed to the adopted person's birth mother.

22 (c) Except as provided in this subsection, payments made under
23 subsection (b)(5) through (b)(9) may not exceed three thousand dollars
24 (\$3,000) and must be disclosed to the court supervising the adoption.
25 The amounts paid under subsection (b)(5) through (b)(9) may exceed
26 three thousand dollars (\$3,000) to the extent that a court in Indiana
27 with jurisdiction over the child who is the subject of the adoption
28 approves the expenses after determining that:

29 (1) the expenses are not being offered as an inducement to
30 proceed with an adoption; and

31 (2) failure to make the payments may seriously jeopardize the
32 health of either the child or the mother of the child and the direct
33 relationship is documented by a licensed social worker or the
34 attending physician.

35 (d) The payment limitation under subsection (c) applies to the total
36 amount paid under subsection (b)(5) through (b)(9) in connection with
37 an adoption from all prospective adoptive parents, attorneys, and
38 licensed child placing agencies.

39 (e) An attorney or licensed child placing agency shall inform a birth
40 mother of the penalties for committing adoption deception under
41 section 9.5 of this chapter before the attorney or agency transfers a
42 payment for adoption related expenses under subsection (b) in relation

1 to the birth mother.

2 (f) The limitations in this section apply regardless of the state or
3 country in which the adoption is finalized.

4 SECTION 674. IC 35-46-1-12, AS AMENDED BY P.L.145-2006,
5 SECTION 372, IS AMENDED TO READ AS FOLLOWS
6 [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) Except as provided in
7 subsection (b), a person who recklessly, knowingly, or intentionally
8 exerts unauthorized use of the personal services or the property of:

9 (1) an endangered adult; or

10 (2) a dependent eighteen (18) years of age or older;

11 for the person's own profit or advantage or for the profit or advantage
12 of another person commits exploitation of a dependent or an
13 endangered adult, a Class A misdemeanor.

14 (b) The offense described in subsection (a) is a Class D felony if:

15 (1) the fair market value of the personal services or property is
16 more than ten thousand dollars (\$10,000); or

17 (2) the endangered adult or dependent is at least sixty (60) years
18 of age.

19 (c) Except as provided in subsection (d), a person who recklessly,
20 knowingly, or intentionally deprives an endangered adult or a
21 dependent of the proceeds of the endangered adult's or the dependent's
22 benefits under the Social Security Act or other retirement program that
23 the division of family resources or ~~county office of family and children~~
24 has budgeted for the endangered adult's or dependent's health care
25 commits financial exploitation of an endangered adult or a dependent,
26 a Class A misdemeanor.

27 (d) The offense described in subsection (c) is a Class D felony if:

28 (1) the amount of the proceeds is more than ten thousand dollars
29 (\$10,000); or

30 (2) the endangered adult or dependent is at least sixty (60) years
31 of age.

32 (e) It is not a defense to an offense committed under subsection
33 (b)(2) or (d)(2) that the accused person reasonably believed that the
34 endangered adult or dependent was less than sixty (60) years of age at
35 the time of the offense.

36 (f) It is a defense to an offense committed under subsection (a), (b),
37 or (c) if the accused person:

38 (1) has been granted a durable power of attorney or has been
39 appointed a legal guardian to manage the affairs of an endangered
40 adult or a dependent; and

41 (2) was acting within the scope of the accused person's fiduciary
42 responsibility.

1 SECTION 675. IC 35-46-1-22, AS ADDED BY P.L.146-2007,
 2 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 UPON PASSAGE]: Sec. 22. (a) As used in this section, "adoption
 4 services" means at least one (1) of the following services that is
 5 provided for compensation, an item of value, or reimbursement, either
 6 directly or indirectly, and provided either before or after the services
 7 are rendered:

- 8 (1) Arranging for the placement of a child.
- 9 (2) Identifying a child for adoption.
- 10 (3) Matching adoptive parents with biological parents.
- 11 (4) Arranging or facilitating an adoption.
- 12 (5) Taking or acknowledging consents or surrenders for
 13 termination of parental rights for adoption purposes.
- 14 (6) Performing background studies on:
 - 15 (A) a child who is going to be adopted; or
 - 16 (B) adoptive parents.
- 17 (7) Making determinations concerning the best interests of a child
 18 and the appropriateness in placing the child for adoption.
- 19 (8) Postplacement monitoring of a child before the child is
 20 adopted.

21 (b) As used in this section, the term "adoption services" does not
 22 include the following:

- 23 (1) Legal services provided by an attorney licensed in Indiana.
- 24 (2) Adoption related services provided by a governmental entity
 25 or a person appointed to perform an investigation by the court.
- 26 (3) General education and training on adoption issues.
- 27 (4) Postadoption services, including supportive services to
 28 families to promote the well-being of members of adoptive
 29 families or birth families.

30 (c) This section does not apply to the following persons:

- 31 (1) The department of child services, an agency or person
 32 authorized to act on behalf of the department of child services, or
 33 a similar agency **or county office with similar responsibilities**
 34 in another state.
- 35 (2) The division of family resources, an agency or person
 36 authorized to act on behalf of the division of family resources, or
 37 a similar agency **or county office with similar responsibilities**
 38 in another state.
- 39 ~~(3) A county office of family and children in Indiana or a similar~~
 40 ~~county office in another state.~~
- 41 ~~(4)~~ **(3)** A child placing agency licensed under the laws of Indiana
 42 or another state.

1 ~~(5)~~ (4) An attorney licensed to practice law in Indiana or another
2 state.

3 ~~(6)~~ (5) A prospective biological parent or adoptive parent acting
4 on the individual's own behalf.

5 (d) A person who knowingly or intentionally provides, engages in,
6 or facilitates adoption services to a birth parent or prospective adoptive
7 parent who resides in Indiana commits unauthorized adoption
8 facilitation, a Class A misdemeanor.

9 SECTION 676. IC 36-1-8-14.2, AS AMENDED BY P.L.219-2007,
10 SECTION 105, IS AMENDED TO READ AS FOLLOWS
11 [EFFECTIVE JULY 1, 2008]: Sec. 14.2. (a) As used in this section, the
12 following terms have the meanings set forth in IC 6-1.1-1:

13 (1) Assessed value.

14 (2) Exemption.

15 (3) Owner.

16 (4) Person.

17 (5) Property taxation.

18 (6) Real property.

19 (7) Township assessor.

20 (b) As used in this section, "PILOTS" means payments in lieu of
21 taxes.

22 (c) As used in this section, "property owner" means the owner of
23 real property described in IC 6-1.1-10-16.7.

24 (d) Subject to the approval of a property owner, the governing body
25 of a political subdivision may adopt an ordinance to require the
26 property owner to pay PILOTS at times set forth in the ordinance with
27 respect to real property that is subject to an exemption under
28 IC 6-1.1-10-16.7, if the improvements that qualify the real property for
29 an exemption were begun or acquired after December 31, 2001. The
30 ordinance remains in full force and effect until repealed or modified by
31 the governing body, subject to the approval of the property owner.

32 (e) The PILOTS must be calculated so that the PILOTS are in an
33 amount equal to the amount of property taxes that would have been
34 levied by the governing body for the political subdivision upon the real
35 property described in subsection (d) if the property were not subject to
36 an exemption from property taxation.

37 (f) PILOTS shall be imposed as are property taxes and shall be
38 based on the assessed value of the real property described in subsection
39 (d). Except as provided in subsection (j), the township ~~assessors~~
40 **assessor, or the county assessor if there is no township assessor for**
41 **the township**, shall assess the real property described in subsection (d)
42 as though the property were not subject to an exemption.

1 (g) PILOTS collected under this section shall be deposited in the
2 unit's affordable housing fund established under IC 5-20-5-15.5 and
3 used for any purpose for which the affordable housing fund may be
4 used.

5 (h) PILOTS shall be due as set forth in the ordinance and bear
6 interest, if unpaid, as in the case of other taxes on property. PILOTS
7 shall be treated in the same manner as taxes for purposes of all
8 procedural and substantive provisions of law.

9 (i) This section does not apply to a county that contains a
10 consolidated city or to a political subdivision of the county.

11 (j) If the duties of the township assessor have been transferred to the
12 county assessor as described in IC 6-1.1-1-24, a reference to the
13 township assessor in this section is considered to be a reference to the
14 county assessor.

15 SECTION 677. IC 36-2-5-5 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) Before the
17 Thursday after the first Monday in August of each year, each county
18 officer and township assessor (**if any**) shall prepare an itemized
19 estimate of the amount of money required for **his the officer's or**
20 **assessor's** office for the next calendar year. Each budget estimate
21 under this section must include:

- 22 (1) the compensation of the officer;
- 23 (2) the expense of employing deputies;
- 24 (3) the expense of office supplies, itemized by the quantity and
25 probable cost of each kind of supplies;
- 26 (4) the expense of litigation for the office; and
- 27 (5) other expenses of the office, specifically itemized;

28 that are payable out of the county treasury.

29 (b) If all or part of the expenses of a county office may be paid out
30 of the county treasury, but only under an order of the county executive
31 to that effect, the expenses of the office shall be included in the
32 officer's budget estimate and may not be included in the county
33 executive's budget estimate.

34 SECTION 678. IC 36-2-6-4.5, AS AMENDED BY P.L.145-2006,
35 SECTION 373, IS AMENDED TO READ AS FOLLOWS
36 [EFFECTIVE JANUARY 1, 2009]: Sec. 4.5. (a) A county executive
37 may adopt an ordinance allowing money to be disbursed for lawful
38 county purposes under this section.

39 (b) Notwithstanding IC 5-11-10, with the prior written approval of
40 the board having jurisdiction over the allowance of claims, the county
41 auditor may make claim payments in advance of board allowance for
42 the following kinds of expenses if the county executive has adopted an

1 ordinance under subsection (a):

- 2 (1) Property or services purchased or leased from the United
 3 States government, its agencies, or its political subdivisions.
 4 (2) License or permit fees.
 5 (3) Insurance premiums.
 6 (4) Utility payments or utility connection charges.
 7 (5) General grant programs where advance funding is not
 8 prohibited and the contracting party posts sufficient security to
 9 cover the amount advanced.
 10 (6) Grants of state funds authorized by statute.
 11 (7) Maintenance or service agreements.
 12 (8) Leases or rental agreements.
 13 (9) Bond or coupon payments.
 14 (10) Payroll.
 15 (11) State or federal taxes.
 16 (12) Expenses that must be paid because of emergency
 17 circumstances.
 18 (13) Expenses described in an ordinance.
 19 ~~(14) Expenses incurred under a procurement contract under~~
 20 ~~IC 31-25-2-17.~~

21 (c) Each payment of expenses under this section must be supported
 22 by a fully itemized invoice or bill and certification by the county
 23 auditor.

24 (d) The county executive or the county board having jurisdiction
 25 over the allowance of the claim shall review and allow the claim at its
 26 next regular or special meeting following the preapproved payment of
 27 the expense.

28 (e) A payment of expenses under this section must be published in
 29 the manner provided under section 3 of this chapter.

30 SECTION 679. IC 36-2-6-8 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) The county
 32 executive or a court may not make an allowance to a county officer for:

- 33 (1) services rendered in a criminal action;
 34 (2) services rendered in a civil action; or
 35 (3) extra services rendered in ~~his~~ **the county officer's** capacity as
 36 a county officer.

37 (b) The county executive may make an allowance to the clerk of the
 38 circuit court, county auditor, county treasurer, county sheriff, township
 39 assessor **(if any)**, or county assessor, or to any of those officers'
 40 employees, only if:

- 41 (1) the allowance is specifically required by law; or
 42 (2) the county executive finds, on the record, that the allowance

1 is necessary in the public interest.

2 (c) A member of the county executive who recklessly violates
3 subsection (b) commits a Class C misdemeanor and forfeits ~~his~~ **the**
4 **member's** office.

5 SECTION 680. IC 36-2-6-22, AS AMENDED BY P.L.219-2007,
6 SECTION 107, IS AMENDED TO READ AS FOLLOWS
7 [EFFECTIVE JULY 1, 2008]: Sec. 22. (a) As used in this section, the
8 following terms have the meanings set forth in IC 6-1.1-1:

9 (1) Assessed value.

10 (2) Exemption.

11 (3) Owner.

12 (4) Person.

13 (5) Property taxation.

14 (6) Real property.

15 (7) Township assessor.

16 (b) As used in this section, "PILOTS" means payments in lieu of
17 taxes.

18 (c) As used in this section, "property owner" means the owner of
19 real property described in IC 6-1.1-10-16.7 that is not located in a
20 county containing a consolidated city.

21 (d) Subject to the approval of a property owner, the fiscal body of
22 a county may adopt an ordinance to require the property owner to pay
23 PILOTS at times set forth in the ordinance with respect to real property
24 that is subject to an exemption under IC 6-1.1-10-16.7. The ordinance
25 remains in full force and effect until repealed or modified by the
26 legislative body, subject to the approval of the property owner.

27 (e) The PILOTS must be calculated so that the PILOTS are in an
28 amount equal to the amount of property taxes that would have been
29 levied upon the real property described in subsection (d) if the property
30 were not subject to an exemption from property taxation.

31 (f) PILOTS shall be imposed in the same manner as property taxes
32 and shall be based on the assessed value of the real property described
33 in subsection (d). Except as provided in subsection (i), the township
34 ~~assessors~~ **assessor, or the county assessor if there is no township**
35 **assessor for the township**, shall assess the real property described in
36 subsection (d) as though the property were not subject to an exemption.

37 (g) PILOTS collected under this section shall be distributed in the
38 same manner as if they were property taxes being distributed to taxing
39 units in the county.

40 (h) PILOTS shall be due as set forth in the ordinance and bear
41 interest, if unpaid, as in the case of other taxes on property. PILOTS
42 shall be treated in the same manner as taxes for purposes of all

1 procedural and substantive provisions of law.

2 (i) If the duties of the township assessor have been transferred to the
3 county assessor as described in IC 6-1.1-1-24, a reference to the
4 township assessor in this section is considered to be a reference to the
5 county assessor.

6 SECTION 681. IC 36-2-7-13 IS AMENDED TO READ AS
7 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 13. The county fiscal
8 body may grant to the county assessor, in addition to the compensation
9 fixed under IC 36-2-5, a per diem for each day that the assessor is
10 engaged in general reassessment activities. ~~including service on the~~
11 ~~county land valuation commission.~~ This section applies regardless of
12 whether professional assessing services are provided under a contract
13 to one (1) or more townships in the county.

14 SECTION 682. IC 36-2-15-3 IS AMENDED TO READ AS
15 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. **(a) Subject to**
16 **subsection (b)**, the assessor shall keep ~~his~~ **the assessor's** office in a
17 building provided at the county seat by the county executive. ~~He~~ **The**
18 **assessor** shall keep ~~his~~ **the** office open for business during regular
19 business hours on every day of the year except Sundays and legal
20 holidays. However, ~~he~~ **the assessor** may close ~~his~~ **the** office on days
21 specified by the county executive according to custom and practice of
22 the county.

23 **(b) After June 30, 2008, the county assessor may establish one**
24 **(1) or more satellite offices in the county.**

25 SECTION 683. IC 36-2-15-5, AS AMENDED BY HEA1137-2008
26 SECTION 261, IS AMENDED TO READ AS FOLLOWS
27 [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) The county assessor shall
28 perform the functions assigned by statute to the county assessor,
29 including the following:

- 30 (1) Countywide equalization.
31 (2) Selection and maintenance of a countywide computer system.
32 (3) Certification of gross assessments to the county auditor.
33 (4) Discovery of omitted property.
34 (5) In:

35 **(A) a county township** in which the transfer of duties **of the**
36 **elected township assessor** is required by subsection ~~(e)~~; **(c);**
37 **or**

38 **(B) a township in which the duties relating to the**
39 **assessment of tangible property are not performed by a**
40 **township assessor elected under IC 36-6-5;**

41 performance of the assessment duties prescribed by IC 6-1.1.

42 **(b) The county assessor shall perform the functions of an assessing**

1 official under IC 36-6-5-2 in a township with a township
2 assessor-trustee if the township assessor-trustee:

- 3 (1) fails to make a report that is required by law;
- 4 (2) fails to deliver a property tax record to the appropriate officer
5 or board;
- 6 (3) fails to deliver an assessment to the county assessor; or
- 7 (4) fails to perform any other assessing duty as required by statute
8 or rule of the department of local government finance;

9 within the time period prescribed by statute or rule of the department
10 or within a later time that is necessitated by reason of another official
11 failing to perform the official's functions in a timely manner.

12 (c) A township with a township trustee-assessor may, with the
13 consent of the township board, enter into an agreement with:

- 14 (1) the county assessor; or
- 15 (2) another township assessor in the county;

16 to perform any of the functions of an assessing official. A township
17 trustee-assessor may not contract for the performance of any function
18 for a period of time that extends beyond the completion of the township
19 trustee-assessor's term of office.

20 ~~(d)~~ (b) A transfer of duties between assessors under subsection (c)
21 does not affect:

- 22 (1) any assessment, assessment appeal, or other official action
23 made by an assessor before the transfer; or
- 24 (2) any pending action against, or the rights of any party that may
25 possess a legal claim against, an assessor that is not described in
26 subdivision (1).

27 Any assessment, assessment appeal, or other official action of an
28 assessor made by the assessor within the scope of the assessor's official
29 duties before the transfer is considered as having been made by the
30 assessor to whom the duties are transferred.

31 ~~(e)~~ (c) If:

- 32 (1) for a particular general election after June 30, 2008, the person
33 elected to the office of township assessor ~~or the office of township~~
34 ~~trustee-assessor~~ has not attained the certification of a level two
35 assessor-appraiser; or

- 36 (2) for a particular general election after January 1, 2010, the
37 person elected to the office of township assessor has not
38 attained the certification of a level three assessor-appraiser;

39 as provided in IC 3-8-1-23.6 before the date the term of office begins,
40 the assessment duties prescribed by IC 6-1.1 that would otherwise be
41 performed in the township by the township assessor ~~or township~~
42 ~~trustee-assessor~~ are transferred to the county assessor on that date. If

1 assessment duties in a township are transferred to the county assessor
 2 under this subsection, those assessment duties are transferred back to
 3 the township assessor ~~or township trustee-assessor (as appropriate)~~ if
 4 at a later election a person who has attained the **required level of**
 5 ~~certification of a level two assessor-appraiser as provided in~~
 6 ~~IC 3-8-1-23.6~~ **referred to in subdivision (1) or (2)** is elected to the
 7 office of township assessor. ~~or the office of township trustee-assessor.~~

8 ~~(f)~~ **(d)** If assessment duties in a township are transferred to the
 9 county assessor under subsection ~~(e)~~: **(c)**,

10 ~~(1)~~ the office of elected township assessor remains vacant for the
 11 period during which the assessment duties prescribed by IC 6-1.1
 12 are transferred to the county assessor. ~~and~~

13 ~~(2)~~ the office of township trustee remains in place for the purpose
 14 of carrying out all functions of the office other than assessment
 15 duties prescribed by IC 6-1.1.

16 SECTION 684. IC 36-2-16-8 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. **(a)** The county
 18 assessor may appoint the number of full-time or part-time deputies and
 19 employees authorized by the county fiscal body.

20 **(b) After June 30, 2009, an employee of the county assessor who**
 21 **performs real property assessing duties must have attained the**
 22 **level of certification under IC 6-1.1-35.5 that the county assessor**
 23 **is required to attain under IC 3-8-1-23.**

24 SECTION 685. IC 36-2-19-7, AS AMENDED BY P.L.219-2007,
 25 SECTION 110, IS AMENDED TO READ AS FOLLOWS
 26 [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) Except as provided in
 27 subsection (b), in a ~~township~~ **county** in which IC 6-1.1-5-9 or
 28 IC 6-1.1-5-9.1 applies, the county surveyor shall file a duplicate copy
 29 of any plat described in section 4 of this chapter with the township
 30 assessor **(if any)**.

31 (b) If the duties of the township assessor have been transferred to
 32 the county assessor as described in IC 6-1.1-1-24, a reference to the
 33 township assessor in this section is considered to be a reference to the
 34 county assessor.

35 SECTION 686. IC 36-3-2-10, AS AMENDED BY P.L.219-2007,
 36 SECTION 111, IS AMENDED TO READ AS FOLLOWS
 37 [EFFECTIVE JULY 1, 2008]: Sec. 10. (a) The general assembly finds
 38 the following:

39 (1) That the tax base of the consolidated city and the county have
 40 been significantly eroded through the ownership of tangible
 41 property by separate municipal corporations and other public
 42 entities that operate as private enterprises yet are exempt or whose

1 property is exempt from property taxation.

2 (2) That to restore this tax base and provide a proper allocation of
3 the cost of providing governmental services the legislative body
4 of the consolidated city and county should be authorized to collect
5 payments in lieu of taxes from these public entities.

6 (3) That the appropriate maximum payments in lieu of taxes
7 would be the amount of the property taxes that would be paid if
8 the tangible property were not subject to an exemption.

9 (b) As used in this section, the following terms have the meanings
10 set forth in IC 6-1.1-1:

11 (1) Assessed value.

12 (2) Exemption.

13 (3) Owner.

14 (4) Person.

15 (5) Personal property.

16 (6) Property taxation.

17 (7) Tangible property.

18 (8) Township assessor.

19 (c) As used in this section, "PILOTS" means payments in lieu of
20 taxes.

21 (d) As used in this section, "public entity" means any of the
22 following government entities in the county:

23 (1) An airport authority operating under IC 8-22-3.

24 (2) A capital improvement board of managers under IC 36-10-9.

25 (3) A building authority operating under IC 36-9-13.

26 (4) A wastewater treatment facility.

27 (e) The legislative body of the consolidated city may adopt an
28 ordinance to require a public entity to pay PILOTS at times set forth in
29 the ordinance with respect to:

30 (1) tangible property of which the public entity is the owner or the
31 lessee and that is subject to an exemption;

32 (2) tangible property of which the owner is a person other than a
33 public entity and that is subject to an exemption under IC 8-22-3;

34 or

35 (3) both.

36 The ordinance remains in full force and effect until repealed or
37 modified by the legislative body.

38 (f) The PILOTS must be calculated so that the PILOTS may be in
39 any amount that does not exceed the amount of property taxes that
40 would have been levied by the legislative body for the consolidated city
41 and county upon the tangible property described in subsection (e) if the
42 property were not subject to an exemption from property taxation.

1 (g) PILOTS shall be imposed as are property taxes and shall be
 2 based on the assessed value of the tangible property described in
 3 subsection (e). Except as provided in subsection (l), the township
 4 ~~assessors assessor, or the county assessor if there is no township~~
 5 **assessor for the township**, shall assess the tangible property described
 6 in subsection (e) as though the property were not subject to an
 7 exemption. The public entity shall report the value of personal property
 8 in a manner consistent with IC 6-1.1-3.

9 (h) Notwithstanding any law to the contrary, a public entity is
 10 authorized to pay PILOTS imposed under this section from any legally
 11 available source of revenues. The public entity may consider these
 12 payments to be operating expenses for all purposes.

13 (i) PILOTS shall be deposited in the consolidated county fund and
 14 used for any purpose for which the consolidated county fund may be
 15 used.

16 (j) PILOTS shall be due as set forth in the ordinance and bear
 17 interest, if unpaid, as in the case of other taxes on property. PILOTS
 18 shall be treated in the same manner as taxes for purposes of all
 19 procedural and substantive provisions of law.

20 (k) PILOTS imposed on a wastewater treatment facility may be paid
 21 only from the cash earnings of the facility remaining after provisions
 22 have been made to pay for current obligations, including:

- 23 (1) operating and maintenance expenses;
- 24 (2) payment of principal and interest on any bonded indebtedness;
- 25 (3) depreciation or replacement fund expenses;
- 26 (4) bond and interest sinking fund expenses; and
- 27 (5) any other priority fund requirements required by law or by any
 28 bond ordinance, resolution, indenture, contract, or similar
 29 instrument binding on the facility.

30 (l) If the duties of the township assessor have been transferred to the
 31 county assessor as described in IC 6-1.1-1-24, a reference to the
 32 township assessor in this section is considered to be a reference to the
 33 county assessor.

34 SECTION 687. IC 36-3-2-11, AS AMENDED BY P.L.219-2007,
 35 SECTION 112, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE JULY 1, 2008]: Sec. 11. (a) As used in this section, the
 37 following terms have the meanings set forth in IC 6-1.1-1:

- 38 (1) Assessed value.
- 39 (2) Exemption.
- 40 (3) Owner.
- 41 (4) Person.
- 42 (5) Property taxation.

1 (6) Real property.

2 (7) Township assessor.

3 (b) As used in this section, "PILOTS" means payments in lieu of
4 taxes.

5 (c) As used in this section, "property owner" means the owner of
6 real property described in IC 6-1.1-10-16.7 that is located in a county
7 with a consolidated city.

8 (d) Subject to the approval of a property owner, the legislative body
9 of the consolidated city may adopt an ordinance to require the property
10 owner to pay PILOTS at times set forth in the ordinance with respect
11 to real property that is subject to an exemption under IC 6-1.1-10-16.7.
12 The ordinance remains in full force and effect until repealed or
13 modified by the legislative body, subject to the approval of the property
14 owner.

15 (e) The PILOTS must be calculated so that the PILOTS are in an
16 amount that is:

17 (1) agreed upon by the property owner and the legislative body of
18 the consolidated city;

19 (2) a percentage of the property taxes that would have been levied
20 by the legislative body for the consolidated city and the county
21 upon the real property described in subsection (d) if the property
22 were not subject to an exemption from property taxation; and

23 (3) not more than the amount of property taxes that would have
24 been levied by the legislative body for the consolidated city and
25 county upon the real property described in subsection (d) if the
26 property were not subject to an exemption from property taxation.

27 (f) PILOTS shall be imposed as are property taxes and shall be
28 based on the assessed value of the real property described in subsection
29 (d). Except as provided in subsection (i), the township ~~assessors~~
30 **assessor, or the county assessor if there is no township assessor for**
31 **the township**, shall assess the real property described in subsection (d)
32 as though the property were not subject to an exemption.

33 (g) PILOTS collected under this section shall be deposited in the
34 housing trust fund established under IC 36-7-15.1-35.5 and used for
35 any purpose for which the housing trust fund may be used.

36 (h) PILOTS shall be due as set forth in the ordinance and bear
37 interest, if unpaid, as in the case of other taxes on property. PILOTS
38 shall be treated in the same manner as taxes for purposes of all
39 procedural and substantive provisions of law.

40 (i) If the duties of the township assessor have been transferred to the
41 county assessor as described in IC 6-1.1-1-24, a reference to the
42 township assessor in this section is considered to be a reference to the

1 county assessor.

2 SECTION 688. IC 36-3-5-8, AS AMENDED BY P.L.219-2007,
3 SECTION 113, IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) This section applies whenever
5 a special taxing district of the consolidated city has the power to issue
6 bonds, notes, or warrants.

7 (b) Before any bonds, notes, or warrants of a special taxing district
8 may be issued, the issue must be approved by resolution of the
9 legislative body of the consolidated city.

10 (c) Any bonds of a special taxing district must be issued in the
11 manner prescribed by statute for that district, and the board of the
12 department having jurisdiction over the district shall:

- 13 (1) hold all required hearings;
14 (2) adopt all necessary resolutions; and
15 (3) appropriate the proceeds of the bonds;

16 in that manner. However, the legislative body shall levy each year the
17 special tax required to pay the principal of and interest on the bonds
18 and any bank paying charges.

19 (d) Notwithstanding any other statute, bonds of a special taxing
20 district may:

- 21 (1) be dated;
22 (2) be issued in any denomination;
23 (3) **except as otherwise provided by IC 5-1-14-10**, mature at any
24 time or times not exceeding fifty (50) years after their date; and
25 (4) be payable at any bank or banks;

26 as determined by the board. The interest rate or rates that the bonds will
27 bear must be determined by bidding, notwithstanding IC 5-1-11-3.

28 (e) Bonds of a special taxing district are subject to the provisions of
29 IC 5-1 and IC 6-1.1-20 relating to **the following**:

- 30 (1) The filing of a petition requesting the issuance of bonds and
31 giving notice of the petition.
32 (2) The giving of notice of a hearing on the appropriation of the
33 proceeds of bonds.
34 (3) The right of taxpayers to appear and be heard on the proposed
35 appropriation.
36 (4) The approval of the appropriation by the department of local
37 government finance.
38 (5) The right of:
39 (A) taxpayers and voters to remonstrate against the issuance of
40 bonds ~~and in the case of a proposed bond issue described by~~
41 **IC 6-1.1-20-3.1(a); or**
42 (B) voters to vote on the issuance of bonds in the case of a

- 1 **proposed bond issue described by IC 6-1.1-20-3.5(a).**
 2 **(6)** The sale of bonds at public sale.
 3 **(7) The maximum term or repayment period provided by**
 4 **IC 5-1-14-10.**

5 SECTION 689. IC 36-3-6-4, AS AMENDED BY P.L.227-2005,
 6 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2008]: Sec. 4. (a) Before the Wednesday after the first
 8 Monday in July each year, the consolidated city and county shall
 9 prepare budget estimates for the ensuing budget year under this section.

10 (b) The following officers shall prepare for their respective
 11 departments, offices, agencies, or courts an estimate of the amount of
 12 money required for the ensuing budget year, stating in detail each
 13 category and item of expenditure they anticipate:

- 14 (1) The director of each department of the consolidated city.
 15 (2) Each township assessor (**if any**), elected county officer, or
 16 head of a county agency.
 17 (3) The county clerk, for each court ~~of which he is the clerk~~
 18 **serves.**

19 (c) In addition to the estimates required by subsection (b), the
 20 county clerk shall prepare an estimate of the amount of money that is,
 21 under law, taxable against the county for the expenses of cases tried in
 22 other counties on changes of venue.

23 (d) Each officer listed in subsection (b)(2) or (b)(3) shall append a
 24 certificate to each estimate the officer prepares stating that in the
 25 officer's opinion the amount fixed in each item will be required for the
 26 purpose indicated. The certificate must be verified by the oath of the
 27 officer.

28 (e) An estimate for a court or division of a court is subject to
 29 modification and approval by the judge of the court or division.

30 (f) All of the estimates prepared by city officers and county officers
 31 shall be submitted to the controller.

32 (g) The controller shall also prepare an itemized estimate of city and
 33 county expenditures for other purposes above the money proposed to
 34 be used by the city departments and county officers and agencies.

35 SECTION 690. IC 36-3-7-5, AS AMENDED BY P.L.219-2007,
 36 SECTION 114, IS AMENDED TO READ AS FOLLOWS
 37 [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) Liens for taxes levied
 38 by the consolidated city are perfected when evidenced on the tax
 39 duplicate in the office of the treasurer of the county.

40 (b) Liens created when the city enters upon property to make
 41 improvements to bring it into compliance with a city ordinance, and
 42 liens created upon failure to pay charges assessed by the city for

1 services shall be certified to the auditor, after the adoption of a
 2 resolution confirming the incurred expense by the appropriate city
 3 department, board, or other agency. In addition, the resolution must
 4 state the name of the owner as it appears on the township assessor's or
 5 county assessor's record and a description of the property.

6 (c) The amount of a lien shall be placed on the tax duplicate by the
 7 auditor in the nature of a delinquent tax subject to enforcement and
 8 collection as otherwise provided under IC 6-1.1-22, IC 6-1.1-24, and
 9 IC 6-1.1-25. ~~However, the amount of the lien is not considered a tax~~
 10 ~~within the meaning of IC 6-1.1-21-2(b) and shall not be included as a~~
 11 ~~part of either a total county tax levy under IC 6-1.1-21-2(g) or the tax~~
 12 ~~liability of a taxpayer under IC 6-1.1-21-5 for purposes of the tax credit~~
 13 ~~computations under IC 6-1.1-21-4 and IC 6-1.1-21-5.~~

14 SECTION 691. IC 36-5-1-3, AS AMENDED BY P.L.219-2007,
 15 SECTION 115, IS AMENDED TO READ AS FOLLOWS
 16 [EFFECTIVE JULY 1, 2008]: Sec. 3. ~~(a)~~ A petition for incorporation
 17 must be accompanied by the following items, to be supplied at the
 18 expense of the petitioners:

19 (1) A survey, certified by a surveyor registered under IC 25-21.5,
 20 showing the boundaries of and quantity of land contained in the
 21 territory sought to be incorporated.

22 (2) An enumeration of the territory's residents and landowners and
 23 their mailing addresses, completed not more than thirty (30) days
 24 before the time of filing of the petition and verified by the persons
 25 supplying it.

26 (3) ~~Except as provided in subsection (b);~~ A statement of the
 27 assessed valuation of all real property within the territory,
 28 certified by the ~~assessors township assessor~~ of the ~~townships~~
 29 **township** in which the territory is located, **or the county assessor**
 30 **if there is no township assessor for the township.**

31 (4) A statement of the services to be provided to the residents of
 32 the proposed town and the approximate times at which they are to
 33 be established.

34 (5) A statement of the estimated cost of the services to be
 35 provided and the proposed tax rate for the town.

36 (6) The name to be given to the proposed town.

37 ~~(b) If the duties of the township assessor have been transferred to~~
 38 ~~the county assessor as described in IC 6-1.1-1-24, a reference to the~~
 39 ~~township assessor in this section is considered to be a reference to the~~
 40 ~~county assessor.~~

41 SECTION 692. IC 36-5-2-11, AS AMENDED BY P.L.219-2007,
 42 SECTION 116, IS AMENDED TO READ AS FOLLOWS

1 [EFFECTIVE JULY 1, 2008]: Sec. 11. (a) The legislative body may
 2 issue bonds for the purpose of procuring money to be used in the
 3 exercise of the powers of the town and for the payment of town debts.
 4 However, a town may not issue bonds to procure money to pay current
 5 expenses.

6 (b) Bonds issued under this section are payable in the amounts and
 7 at the times determined by the legislative body.

8 (c) Bonds issued under this section are subject to the provisions of
 9 IC 5-1 and IC 6-1.1-20 relating to **the following:**

10 (1) The filing of a petition requesting the issuance of bonds and
 11 giving notice of the petition.

12 (2) The giving of notice of a hearing on the appropriation of the
 13 proceeds of bonds.

14 (3) The right of taxpayers to appear and be heard on the proposed
 15 appropriation.

16 (4) The approval of the appropriation by the department of local
 17 government finance.

18 (5) The right of:

19 (A) taxpayers and voters to remonstrate against the issuance of
 20 bonds ~~and in the case of a proposed bond issue described by~~
 21 **IC 6-1.1-20-3.1(a); or**

22 (B) voters to vote on the issuance of bonds in the case of a
 23 **proposed bond issue described by IC 6-1.1-20-3.5(a).**

24 (6) The sale of bonds at public sale for not less than their par
 25 value.

26 (d) The legislative body may, by ordinance, make loans of money
 27 for not more than five (5) years and issue notes for the purpose of
 28 refunding those loans. The loans may be made only for the purpose of
 29 procuring money to be used in the exercise of the powers of the town,
 30 and the total amount of outstanding loans under this subsection may not
 31 exceed five percent (5%) of the town's total tax levy in the current year
 32 (excluding amounts levied to pay debt service and lease rentals). Loans
 33 under this subsection shall be made as follows:

34 (1) The ordinance authorizing the loans must pledge to their
 35 payment a sufficient amount of tax revenues over the ensuing five
 36 (5) years to provide for refunding the loans.

37 (2) The loans must be evidenced by notes of the town in terms
 38 designating the nature of the consideration, the time and place
 39 payable, and the revenues out of which they will be payable.

40 (3) The interest accruing on the notes to the date of maturity may
 41 be added to and included in their face value or be made payable
 42 periodically, as provided in the ordinance.

1 Notes issued under this subsection are not bonded indebtedness for
2 purposes of IC 6-1.1-18.5.

3 SECTION 693. IC 36-6-4-3, AS AMENDED BY P.L.1-2006,
4 SECTION 562, IS AMENDED TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2008]: Sec. 3. The executive shall do the
6 following:

- 7 (1) Keep a written record of official proceedings.
- 8 (2) Manage all township property interests.
- 9 (3) Keep township records open for public inspection.
- 10 (4) Attend all meetings of the township legislative body.
- 11 (5) Receive and pay out township funds.
- 12 (6) Examine and settle all accounts and demands chargeable
13 against the township.
- 14 (7) Administer township assistance under IC 12-20 and
15 IC 12-30-4.
- 16 (8) Perform the duties of fence viewer under IC 32-26.
- 17 ~~(9) Act as township assessor when required by IC 36-6-5.~~
- 18 ~~(10) Provide and maintain cemeteries under IC 23-14.~~
- 19 ~~(11) Provide fire protection under IC 36-8, except in a~~
20 township that:
 - 21 (A) is located in a county having a consolidated city; and
 - 22 (B) consolidated the township's fire department under
23 IC 36-3-1-6.1.
- 24 ~~(12) File an annual personnel report under IC 5-11-13.~~
- 25 ~~(13) Provide and maintain township parks and community~~
26 centers under IC 36-10.
- 27 ~~(14) Destroy detrimental plants, noxious weeds, and rank~~
28 vegetation under IC 15-3-4.
- 29 ~~(15) Provide insulin to the poor under IC 12-20-16.~~
- 30 ~~(16) Perform other duties prescribed by statute.~~

31 SECTION 694. IC 36-6-5-1, AS AMENDED BY HEA1137-2008
32 SECTION 262, IS AMENDED TO READ AS FOLLOWS
33 [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Except as provided in
34 subsection (f), a township assessor shall be elected under IC 3-10-2-13
35 by the voters of ~~each township having:~~ **the following:**

- 36 ~~(1) a population of more than eight thousand (8,000); or~~
- 37 ~~(2) an elected township assessor or the authority to elect a~~
38 township assessor before January 1, 1979.
- 39 **(1) Each township in which the number of parcels of real**
40 **property on January 1, 2008, is at least fifteen thousand**
41 **(15,000).**
- 42 **(2) Each township:**

- 1 **(A) in which the number of parcels of real property on**
 2 **January 1, 2008, is at least ten thousand (10,000); and**
 3 **(B) in which all or part of an international airport is**
 4 **located.**

5 (b) Except as provided in subsection (f) **and subject to section 1.5**
 6 **of this chapter**, a township assessor shall be elected under
 7 IC 3-10-2-14 in ~~each a~~ township having a population of more than five
 8 thousand (5,000) but not more than eight thousand (8,000); if: (1) the
 9 legislative body of the township, by resolution, declares that the office
 10 of township assessor is necessary; and

11 (2) the resolution is filed with the county election board not later
 12 than the first date that a declaration of candidacy may be filed
 13 under ~~IC 3-8-2~~.

14 **in a general election after the number of parcels of real property**
 15 **in the township on the January 1 that last precedes the general**
 16 **election reaches fifteen thousand (15,000).**

17 (c) Except as provided in subsection (f), a township government that
 18 is created by merger under IC 36-6-1.5 shall elect only one (1)
 19 township assessor under this section.

20 (d) The township assessor must reside within the township as
 21 provided in Article 6, Section 6 of the Constitution of the State of
 22 Indiana. The assessor forfeits office if the assessor ceases to be a
 23 resident of the township.

24 (e) The term of office of a township assessor is four (4) years,
 25 beginning January 1 after election and continuing until a successor is
 26 elected and qualified. However, the term of office of a township
 27 assessor elected at a general election in which no other township
 28 officer is elected ends on December 31 after the next election in which
 29 any other township officer is elected.

30 (f) A person who runs for the office of township assessor in an
 31 election after June 30, 2008, is subject to ~~IC 36-8-1-23.5~~.
 32 **IC 36-8-1-23.6.**

33 SECTION 695. IC 36-6-5-1.5 IS ADDED TO THE INDIANA
 34 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 35 [EFFECTIVE JULY 1, 2008]: **Sec. 1.5. (a) For purposes of this**
 36 **section, "parcel" refers to a parcel of real property.**

37 **(b) For purposes of this section, "election year" refers to the**
 38 **calendar year in which a general election occurs.**

39 **(c) For purposes of this section, "preceding year" refers to the**
 40 **calendar year that immediately precedes the election year.**

41 **(d) If the election is approved under this section, a township**
 42 **assessor shall be elected in the general election in the election year**

1 for a township in which the number of parcels in the township on
2 July 1 of the preceding year reaches fifteen thousand (15,000).

3 (e) Before August 1 of the preceding year, for each township in
4 which the number of parcels in the township on January 1 of the
5 preceding year was less than fifteen thousand (15,000), the county
6 auditor shall notify the county council or the city-county council if
7 the number of parcels in the township on July 1 of the preceding
8 year has reached fifteen thousand (15,000).

9 (f) A county council notified under subsection (e) may adopt an
10 ordinance before November 1 of the preceding year to recommend
11 to the executive of the county that a township assessor be elected
12 for the township in the general election in the election year. Subject
13 to subsection (g), if the county council adopts an ordinance under
14 this subsection, the executive of the county may adopt an ordinance
15 before January 1 of the election year to determine that:

16 (1) candidates for the office of township assessor will be
17 selected in the primary election in the election year; and

18 (2) a township assessor will be elected for the township in the
19 general election in the election year.

20 (g) An ordinance of the executive of the county referred to in
21 subsection (f) is adopted only if the ordinance is approved by
22 unanimous vote of the members present.

23 (h) A city-county council notified under subsection (e) may
24 adopt an ordinance before November 1 of the preceding year to
25 determine that:

26 (1) candidates for the office of township assessor will be
27 selected in the primary election in the election year; and

28 (2) a township assessor will be elected for the township in the
29 general election in the election year.

30 (i) A county council, the executive of a county, and a city-county
31 council shall provide an ordinance adopted under this section to:

32 (1) the executive of the township that is the subject of the
33 ordinance; and

34 (2) the county election board.

35 SECTION 696. IC 36-6-5-2, AS AMENDED BY P.L.219-2007,
36 SECTION 118, IS AMENDED TO READ AS FOLLOWS
37 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) This section applies to
38 townships that do not have an elected or appointed and qualified
39 township assessor:

40 ~~(b)~~ (a) Except as provided in subsection ~~(c)~~: (d):

41 (1) the township executive in a township that on January 1,
42 2008, does not qualify to have an elected township assessor

1 **under section 1 of this chapter** shall perform all the duties and
 2 has all the rights and powers of **township** assessor **until July 1,**
 3 **2008; and**
 4 **(2) except as provided in subsection (e), after June 30, 2008,**
 5 **the county assessor shall perform the duties of township**
 6 **assessor in each township in which the number of parcels of**
 7 **real property on January 1, 2008, is less than fifteen thousand**
 8 **(15,000).**

9 ~~(b)~~ **(b)** If a township qualifies under ~~IC 36-6-5-1~~ **section 1 of this**
 10 **chapter** to elect a township assessor, the ~~executive county assessor~~
 11 shall continue to serve as assessor until

12 ~~(1) an a township~~ assessor is appointed or elected and qualified.
 13 or

14 ~~(2) the duties of the township assessor are transferred to the~~
 15 county assessor as described in ~~IC 6-1.1-1-24.~~

16 ~~(c)~~ **(c)** The bond filed by the executive in the capacity as executive
 17 also covers the executive's duties as assessor.

18 ~~(d)~~ **(d)** Subsection ~~(b)~~ **(a)(1)** does not apply if the duties of the
 19 **township executive who would otherwise perform the duties of**
 20 township assessor have been transferred to the county assessor as
 21 described in IC 6-1.1-1-24.

22 **(e) Subsection (a)(2) does not apply to a township:**

23 **(1) in which the number of parcels of real property on**
 24 **January 1, 2008, is at least ten thousand (10,000); and**

25 **(2) in which all or part of an international airport is located.**

26 SECTION 697. IC 36-6-5-4 IS ADDED TO THE INDIANA CODE
 27 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 28 1, 2008]: **Sec. 4. After June 30, 2009, an employee of a township**
 29 **assessor who performs real property assessing duties must have**
 30 **attained the level of certification under IC 6-1.1-35.5 that the**
 31 **township assessor is required to attain under IC 3-8-1-23.6.**

32 SECTION 698. IC 36-6-6-10, AS AMENDED BY P.L.169-2006,
 33 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2008]: **Sec. 10. (a) This section does not apply to the**
 35 **appropriation of money to pay a deputy or an employee or a technical**
 36 **adviser that assists of a township assessor with assessment duties or to**
 37 an elected township assessor.

38 **(b) The township legislative body shall fix the:**

39 (1) salaries;

40 (2) wages;

41 (3) rates of hourly pay; and

42 (4) remuneration other than statutory allowances;

1 of all officers and employees of the township.

2 (c) Subject to subsection (d), the township legislative body may
3 reduce the salary of an elected or appointed official. However, except
4 as provided in subsection ~~(i)~~, **(h)**, the official is entitled to a salary that
5 is not less than the salary fixed for the first year of the term of office
6 that immediately preceded the current term of office.

7 (d) Except as provided in ~~subsections (c) and (i)~~, **subsection (h)**, the
8 township legislative body may not alter the salaries of elected or
9 appointed officers during the fiscal year for which they are fixed, but
10 it may add or eliminate any other position and change the salary of any
11 other employee, if the necessary funds and appropriations are available.

12 ~~(e) In a township that does not elect a township assessor under~~
13 ~~IC 36-6-5-1, the township legislative body may appropriate available~~
14 ~~township funds to supplement the salaries of elected or appointed~~
15 ~~officers to compensate them for performing assessing duties. However,~~
16 ~~in any calendar year no officer or employee may receive a salary and~~
17 ~~additional salary supplements which exceed the salary fixed for that~~
18 ~~officer or employee under subsection (b).~~

19 ~~(f)~~ **(e)** If a change in the mileage allowance paid to state officers and
20 employees is established by July 1 of any year, that change shall be
21 included in the compensation fixed for the township executive and
22 assessor under this section, to take effect January 1 of the next year.
23 However, the township legislative body may by ordinance provide for
24 the change in the sum per mile to take effect before January 1 of the
25 next year.

26 ~~(g)~~ **(f)** The township legislative body may not reduce the salary of
27 the township executive without the consent of the township executive
28 during the term of office of the township executive as set forth in
29 IC 36-6-4-2.

30 ~~(h)~~ **(g)** This subsection applies when a township executive dies or
31 resigns from office. The person filling the vacancy of the township
32 executive shall receive at least the same salary the previous township
33 executive received for the remainder of the unexpired term of office of
34 the township executive (as set forth in IC 36-6-4-2), unless the person
35 consents to a reduction in salary.

36 ~~(i)~~ **(h)** In a year in which there is not an election of members to the
37 township legislative body, the township legislative body may by
38 unanimous vote reduce the salaries of the members of the township
39 legislative body by any amount.

40 SECTION 699. IC 36-6-8-5 IS AMENDED TO READ AS
41 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) When performing
42 the real property reassessment duties prescribed by IC 6-1.1-4, a

1 township assessor may receive per diem compensation, in addition to
 2 salary, at a rate fixed by the county fiscal body, for each day that ~~he the~~
 3 **assessor** is engaged in reassessment activities. ~~including service on the~~
 4 ~~county land valuation commission.~~

5 (b) Subsection (a) applies regardless of whether professional
 6 assessing services are provided to a township under contract.

7 SECTION 700. IC 36-7-4-207 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 207. (a) ADVISORY.
 9 In a city having a park board and a city civil engineer, the city plan
 10 commission consists of nine (9) members, as follows:

11 (1) One (1) member appointed by the city legislative body from
 12 its membership.

13 (2) One (1) member appointed by the park board from its
 14 membership.

15 (3) One (1) member or designated representative appointed by the
 16 city works board.

17 (4) The city civil engineer or a qualified assistant appointed by the
 18 city civil engineer.

19 (5) Five (5) citizen members, of whom no more than three (3)
 20 may be of the same political party, appointed by the city
 21 executive.

22 (b) ADVISORY. If a city lacks either a park board or a city civil
 23 engineer, or both, subsection (a) does not apply. In such a city or in any
 24 town, the municipal plan commission consists of seven (7) members,
 25 as follows:

26 (1) The municipal legislative body shall appoint three (3) persons,
 27 who must be elected or appointed municipal officials or
 28 employees in the municipal government, as members.

29 (2) The municipal executive shall appoint four (4) citizen
 30 members, of whom no more than two (2) may be of the same
 31 political party.

32 (c) AREA. To provide equitable representation of rural and urban
 33 populations, representation on the area plan commission is determined
 34 as follows:

35 (1) Seven (7) representatives from each city having a population
 36 of more than one hundred five thousand (105,000).

37 (2) Six (6) representatives from each city having a population of
 38 not less than seventy thousand (70,000) nor more than one
 39 hundred five thousand (105,000).

40 (3) Five (5) representatives from each city having a population of
 41 not less than thirty-five thousand (35,000) but less than seventy
 42 thousand (70,000).

- 1 (4) Four (4) representatives from each city having a population of
 2 not less than twenty thousand (20,000) but less than thirty-five
 3 thousand (35,000).
- 4 (5) Three (3) representatives from each city having a population
 5 of not less than ten thousand (10,000) but less than twenty
 6 thousand (20,000).
- 7 (6) Two (2) representatives from each city having a population of
 8 less than ten thousand (10,000).
- 9 (7) One (1) representative from each town having a population of
 10 more than two thousand one hundred (2,100), and one (1)
 11 representative from each town having a population of two
 12 thousand one hundred (2,100) or less that had a representative
 13 before January 1, 1979.
- 14 (8) Such representatives from towns having a population of not
 15 more than two thousand one hundred (2,100) as are provided for
 16 in section 210 of this chapter.
- 17 (9) Six (6) county representatives if the total number of municipal
 18 representatives in the county is an odd number, or five (5) county
 19 representatives if the total number of municipal representatives is
 20 an even number.
- 21 (d) METRO. The metropolitan development commission consists
 22 of nine (9) citizen members, as follows:
- 23 (1) Four (4) members, of whom no more than two (2) may be of
 24 the same political party, appointed by the executive of the
 25 consolidated city.
- 26 (2) Three (3) members, of whom no more than two (2) may be of
 27 the same political party, appointed by the legislative body of the
 28 consolidated city.
- 29 (3) Two (2) members, who must be of different political parties,
 30 appointed by the board of commissioners of the county.
- 31 **(e) METRO. The legislative body of the consolidated city shall**
 32 **appoint an individual to serve as a nonvoting adviser to the**
 33 **metropolitan development commission when the commission is**
 34 **acting as the redevelopment commission of the consolidated city**
 35 **under IC 36-7-15.1. If the duties of the metropolitan development**
 36 **commission under IC 36-7-15.1 are transferred to another entity**
 37 **under IC 36-3-4-23, the individual appointed under this subsection**
 38 **shall serve as a nonvoting adviser to that entity. A nonvoting**
 39 **adviser appointed under this subsection:**
- 40 (1) **must also be a member of the school board of a school**
 41 **corporation that includes all or part of the territory of the**
 42 **consolidated city;**

- 1 **(2) is not considered a member of the metropolitan**
 2 **development commission for purposes of IC 36-7-15.1 but is**
 3 **entitled to attend and participate in the proceedings of all**
 4 **meetings of the metropolitan development commission (or any**
 5 **successor entity designated under IC 36-3-4-23) when it is**
 6 **acting as a redevelopment commission under IC 36-7-15.1;**
 7 **(3) is not entitled to a salary, per diem, or reimbursement of**
 8 **expenses;**
 9 **(4) serves for a term of two (2) years and until a successor is**
 10 **appointed; and**
 11 **(5) serves at the pleasure of the legislative body of the**
 12 **consolidated city.**

13 SECTION 701. IC 36-7-11.2-58, AS AMENDED BY P.L.219-2007,
 14 SECTION 122, IS AMENDED TO READ AS FOLLOWS
 15 [EFFECTIVE JULY 1, 2008]: Sec. 58. (a) A person who has filed a
 16 petition under section 56 or 57 of this chapter shall, not later than ten
 17 (10) days after the filing, serve notice upon all interested parties. The
 18 notice must state the following:

- 19 (1) The full name and address of the following:
 20 (A) The petitioner.
 21 (B) Each attorney acting for and on behalf of the petitioner.
 22 (2) The street address of the Meridian Street and bordering
 23 property for which the petition was filed.
 24 (3) The name of the owner of the property.
 25 (4) The full name and address of, and the type of business, if any,
 26 conducted by:
 27 (A) each person who at the time of the filing is a party to; and
 28 (B) each person who is a disclosed or an undisclosed principal
 29 for whom the party was acting as agent in entering into;
 30 a contract of sale, lease, option to purchase or lease, agreement to
 31 build or develop, or other written agreement of any kind or nature
 32 concerning the subject property or the present or future
 33 ownership, use, occupancy, possession, or development of the
 34 subject property.
 35 (5) A description of the contract of sale, lease, option to purchase
 36 or lease, agreement to build or develop, or other written
 37 agreement sufficient to disclose the full nature of the interest of
 38 the party or of the party's principal in the subject property or in
 39 the present or future ownership, use, occupancy, possession, or
 40 development of the subject property.
 41 (6) A description of the proposed use for which the rezoning or
 42 zoning variance is sought, sufficiently detailed to appraise the

1 notice recipient of the true character, nature, extent, and physical
2 properties of the proposed use.

3 (7) The date of the filing of the petition.

4 (8) The date, time, and place of the next regular meeting of the
5 commission if a petition is for approval of a zoning variance. If a
6 petition is filed with the development commission, the notice does
7 not have to specify the date of a hearing before the commission or
8 the development commission. However, the person filing the
9 petition shall give ten (10) days notice of the date, time, and place
10 of a hearing before the commission on the petition after the
11 referral of the petition to the commission by the development
12 commission.

13 (b) For purposes of giving notice to the interested parties who are
14 owners, the records in the bound volumes of the recent real estate tax
15 assessment records as the records appear in:

16 (1) the offices of the township assessors **(if any)**; or

17 (2) the office of the county assessor;

18 as of the date of filing are considered determinative of the persons who
19 are owners.

20 SECTION 702. IC 36-7-11.3-6, AS AMENDED BY P.L.219-2007,
21 SECTION 123, IS AMENDED TO READ AS FOLLOWS
22 [EFFECTIVE JULY 1, 2008]: Sec. 6. As used in this chapter, "notice"
23 means written notice:

24 (1) served personally upon the person, official, or office entitled
25 to the notice; or

26 (2) served upon the person, official, or office by placing the notice
27 in the United States mail, first class postage prepaid, properly
28 addressed to the person, official, or office. Notice is considered
29 served if mailed in the manner prescribed by this subdivision
30 properly addressed to the following:

31 (A) The governor, both to the address of the governor's official
32 residence and to the governor's executive office in
33 Indianapolis.

34 (B) The Indiana department of transportation, to the
35 commissioner.

36 (C) The department of natural resources, both to the director
37 of the department and to the director of the department's
38 division of historic preservation and archeology.

39 (D) The municipal plan commission.

40 (E) An occupant, to:

41 (i) the person by name; or

42 (ii) if the name is unknown, the "Occupant" at the address of

- 1 the primary or secondary property occupied by the person.
 2 (F) An owner, to the person by the name shown to be the name
 3 of the owner, and at the person's address, as appears in the
 4 records in the bound volumes of the most recent real estate tax
 5 assessment records as the records appear in:
 6 (i) the offices of the township assessors **(if any)**; or
 7 (ii) the office of the county assessor.
 8 (G) The society, to the organization at the latest address as
 9 shown in the records of the commission.

10 SECTION 703.IC 36-7-11.3-52, AS AMENDED BY P.L.219-2007,
 11 SECTION 124, IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 2008]: Sec. 52. (a) A person who has filed a
 13 petition under section 50 or 51 of this chapter shall, not later than ten
 14 (10) days after the filing, serve notice upon all interested parties. The
 15 notice must state the following:

- 16 (1) The full name and address of the following:
 17 (A) The petitioner.
 18 (B) Each attorney acting for and on behalf of the petitioner.
 19 (2) The street address of the primary and secondary property for
 20 which the petition was filed.
 21 (3) The name of the owner of the property.
 22 (4) The full name and address of and the type of business, if any,
 23 conducted by:
 24 (A) each person who at the time of the filing is a party to; and
 25 (B) each person who is a disclosed or an undisclosed principal
 26 for whom the party was acting as agent in entering into;
 27 a contract of sale, lease, option to purchase or lease, agreement to
 28 build or develop, or other written agreement of any kind or nature
 29 concerning the subject property or the present or future
 30 ownership, use, occupancy, possession, or development of the
 31 subject property.
 32 (5) A description of the contract of sale, lease, option to purchase
 33 or lease, agreement to build or develop, or other written
 34 agreement sufficient to disclose the full nature of the interest of
 35 the party or of the party's principal in the subject property or in
 36 the present or future ownership, use, occupancy, possession, or
 37 development of the subject property.
 38 (6) A description of the proposed use for which the rezoning or
 39 zoning variance is sought, sufficiently detailed to appraise the
 40 notice recipient of the true character, nature, extent, and physical
 41 properties of the proposed use.
 42 (7) The date of the filing of the petition.

1 (8) The date, time, and place of the next regular meeting of the
 2 commission if a petition is for approval of a zoning variance. If a
 3 petition is filed with the development commission, the notice does
 4 not have to specify the date of a hearing before the commission or
 5 the development commission. However, the person filing the
 6 petition shall give ten (10) days notice of the date, time, and place
 7 of a hearing before the commission on the petition after the
 8 referral of the petition to the commission by the development
 9 commission.

10 (b) For purposes of giving notice to the interested parties who are
 11 owners, the records in the bound volumes of the recent real estate tax
 12 assessment records as the records appear in:

- 13 (1) the offices of the township assessors **(if any)**; or
 14 (2) the office of the county assessor;

15 as of the date of filing are considered determinative of the persons who
 16 are owners.

17 SECTION 704. IC 36-7-14-6.1, AS AMENDED BY P.L.190-2005,
 18 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 JULY 1, 2008]: Sec. 6.1. (a) The five (5) commissioners for a
 20 municipal redevelopment commission shall be appointed as follows:

- 21 (1) Three (3) shall be appointed by the municipal executive.
 22 (2) Two (2) shall be appointed by the municipal legislative body.

23 **The municipal executive shall also appoint an individual to serve**
 24 **as a nonvoting adviser to the redevelopment commission beginning**
 25 **July 1, 2008.**

26 (b) The commissioners for a county redevelopment commission **that**
 27 **has five (5) members** shall be appointed ~~by the county executive. as~~
 28 **follows:**

29 (1) **The county executive shall appoint all the members whose**
 30 **terms of office begin before January 1, 2008.**

31 (2) **For terms of office beginning after December 31, 2007, the**
 32 **county executive shall appoint three (3) members and the**
 33 **county fiscal body shall appoint two (2) members.**

34 **The county executive shall also appoint an individual to serve as a**
 35 **nonvoting adviser to the redevelopment commission beginning July**
 36 **1, 2008.**

37 (c) **The commissioners for a county redevelopment commission**
 38 **that has seven (7) members shall be appointed as follows:**

39 (1) **The county executive shall appoint all the members whose**
 40 **terms of office begin before January 1, 2008.**

41 (2) **For terms of office beginning after December 31, 2007, the**
 42 **county executive shall appoint four (4) members and the**

1 **county fiscal body shall appoint three (3) members.**
 2 **The county executive shall also appoint an individual to serve as a**
 3 **nonvoting adviser to the redevelopment commission beginning July**
 4 **1, 2008.**

5 **(d) A nonvoting adviser appointed under this section:**
 6 **(1) must also be a member of the school board of a school**
 7 **corporation that includes all or part of the territory served by**
 8 **the redevelopment commission;**
 9 **(2) is not considered a member of the redevelopment**
 10 **commission for purposes of this chapter but is entitled to**
 11 **attend and participate in the proceedings of all meetings of**
 12 **the redevelopment commission;**
 13 **(3) is not entitled to a salary, per diem, or reimbursement of**
 14 **expenses;**
 15 **(4) serves for a term of two (2) years and until a successor is**
 16 **appointed; and**
 17 **(5) serves at the pleasure of the entity that appointed the**
 18 **nonvoting adviser.**

19 SECTION 705. IC 36-7-14-10 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 10. (a) A
 21 redevelopment commissioner **or a nonvoting adviser appointed**
 22 **under section 6.1 of this chapter** may not have a pecuniary interest in
 23 any contract, employment, purchase, or sale made under this chapter.
 24 However, any property required for redevelopment purposes in which
 25 a commissioner **or nonvoting adviser** has a pecuniary interest may be
 26 acquired, but only by gift or condemnation.

27 (b) A transaction made in violation of this section is void.

28 SECTION 706. IC 36-7-14-15, AS AMENDED BY P.L.221-2007,
 29 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2008]: Sec. 15. (a) Whenever the redevelopment commission
 31 finds that:

32 (1) an area in the territory under ~~their~~ **its** jurisdiction is an area
 33 needing redevelopment;
 34 (2) the conditions described in IC 36-7-1-3 cannot be corrected in
 35 the area by regulatory processes or the ordinary operations of
 36 private enterprise without resort to this chapter; ~~and~~
 37 (3) the public health and welfare will be benefited by:
 38 (A) the acquisition and redevelopment of the area under this
 39 chapter **as a redevelopment project area; or**
 40 (B) **the amendment of the resolution or plan, or both, for**
 41 **an existing redevelopment project area; and**
 42 (4) **in the case of an amendment to the resolution or plan for**

- 1 **an existing redevelopment project area:**
 2 **(A) the amendment is reasonable and appropriate when**
 3 **considered in relation to the original resolution or plan and**
 4 **the purposes of this chapter;**
 5 **(B) the resolution or plan, with the proposed amendment,**
 6 **conforms to the comprehensive plan for the unit; and**
 7 **(C) except as provided by subsection (f), if the amendment**
 8 **enlarges the boundaries of the area, the existing area does**
 9 **not generate sufficient revenue to meet the financial**
 10 **obligations of the original project;**

11 the commission shall cause to be prepared the data described in
 12 subsection (b).

13 (b) After making a finding under subsection (a), the commission
 14 shall cause to be prepared:

15 (1) maps and plats showing:

16 **(A) the boundaries of the area needing redevelopment; in**
 17 **which property would be acquired for, or otherwise**
 18 **affected by, the establishment of a redevelopment project**
 19 **area or the amendment of the resolution or plan for an**
 20 **existing area;**

21 **(B) the location of the various parcels of property, streets,**
 22 **alleys, and other features affecting the acquisition, clearance,**
 23 **remediation, replatting, replanning, rezoning, or**
 24 **redevelopment of the area, indicating any parcels of property**
 25 **to be excluded from the acquisition or otherwise excluded**
 26 **from the effects of the establishment of the redevelopment**
 27 **project area or the amendment of the resolution or plan**
 28 **for an existing area; and**

29 ~~(B)~~ **(C) the parts of the area acquired, if any, that are to be**
 30 **devoted to public ways, levees, sewerage, parks, playgrounds,**
 31 **and other public purposes under the redevelopment plan;**

32 (2) lists of the owners of the various parcels of property proposed
 33 to be acquired **for, or otherwise affected by, the establishment**
 34 **of an area or the amendment of the resolution or plan for an**
 35 **existing area; and**

36 (3) an estimate of the ~~cost of~~ **costs, if any, to be incurred for the**
 37 **acquisition and redevelopment of property.**

38 (c) **This subsection applies to the initial establishment of a**
 39 **redevelopment project area.** After completion of the data required by
 40 subsection (b), the redevelopment commission shall adopt a resolution
 41 declaring that:

42 (1) the area needing redevelopment is a menace to the social and

- 1 economic interest of the unit and its inhabitants;
 2 (2) it will be of public utility and benefit to acquire the area and
 3 redevelop it under this chapter; and
 4 (3) the area is designated as a redevelopment project area for
 5 purposes of this chapter.

6 The resolution must state the general boundaries of the redevelopment
 7 project area, and that the department of redevelopment proposes to
 8 acquire all of the interests in the land within the boundaries, with
 9 certain designated exceptions, if there are any.

10 **(d) This subsection applies to the amendment of the resolution**
 11 **or plan for an existing redevelopment project area. After**
 12 **completion of the data required by subsection (b), the**
 13 **redevelopment commission shall adopt a resolution declaring that:**

- 14 **(1) except as provided by subsection (f), if the amendment**
 15 **enlarges the boundaries of the area, the existing area does not**
 16 **generate sufficient revenue to meet the financial obligations**
 17 **of the original project;**
 18 **(2) it will be of public utility and benefit to amend the**
 19 **resolution or plan for the area; and**
 20 **(3) any additional area to be acquired under the amendment**
 21 **is designated as part of the existing redevelopment project**
 22 **area for purposes of this chapter.**

23 **The resolution must state the general boundaries of the**
 24 **redevelopment project area, including any changes made to those**
 25 **boundaries by the amendment, and describe the activities that the**
 26 **department of redevelopment is permitted to take under the**
 27 **amendment, with any designated exceptions.**

28 ~~(d)~~ **(e)** For the purpose of adopting a resolution under subsection (c)
 29 **or (d)**, it is sufficient to describe the boundaries of the redevelopment
 30 project area by its location in relation to public ways or streams, or
 31 otherwise, as determined by the commissioners. Property excepted
 32 from the acquisition **application of a resolution** may be described by
 33 street numbers or location.

34 **(f) The redevelopment commission is not required to make the**
 35 **finding and declaration described in subsections (a)(4)(C) and**
 36 **(d)(1) concerning the enlargement of the boundaries of an existing**
 37 **redevelopment project area if, before the adoption of the resolution**
 38 **under subsection (d), the Indiana economic development**
 39 **corporation issues a finding approving the enlargement of the**
 40 **boundaries. Before issuing a finding under this subsection, the**
 41 **Indiana economic development corporation must consider whether**
 42 **the enlargement of the boundaries will:**

- 1 **(1) lead to increased investment in Indiana;**
 2 **(2) foster job creation or job retention in Indiana;**
 3 **(3) have a positive impact on the unit in which the**
 4 **redevelopment project area is located; or**
 5 **(4) otherwise benefit the people of Indiana by increasing**
 6 **opportunities for employment in Indiana and strengthening**
 7 **the economy of Indiana.**

8 SECTION 707. IC 36-7-14-15.5, AS AMENDED BY P.L.185-2005,
 9 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2008]: Sec. 15.5. (a) This section applies to a county having
 11 a population of more than two hundred thousand (200,000) but less
 12 than three hundred thousand (300,000).

13 (b) In adopting a declaratory resolution under section 15 of this
 14 chapter, a redevelopment commission may include a provision stating
 15 that the redevelopment project area is considered to include one (1) or
 16 more additional areas outside the boundaries of the redevelopment
 17 project area if the redevelopment commission makes the following
 18 findings and the requirements of subsection (c) are met:

19 (1) One (1) or more taxpayers presently located within the
 20 boundaries of the redevelopment project area are expected within
 21 one (1) year to relocate all or part of their operations outside the
 22 boundaries of the redevelopment project area and have expressed
 23 an interest in relocating all or part of their operations within the
 24 boundaries of an additional area.

25 (2) The relocation described in subdivision (1) will contribute to
 26 the continuation of the conditions described in IC 36-7-1-3 in the
 27 redevelopment project area.

28 (3) For purposes of this section, it will be of public utility and
 29 benefit to include the additional areas as part of the
 30 redevelopment project area.

31 (c) Each additional area must be designated by the redevelopment
 32 commission as a redevelopment project area or an economic
 33 development area under this chapter.

34 (d) Notwithstanding section 3 of this chapter, the additional areas
 35 shall be considered to be a part of the redevelopment special taxing
 36 district under the jurisdiction of the redevelopment commission. Any
 37 excess property taxes that the commission has determined may be paid
 38 to taxing units under section 39(b)(3) of this chapter shall be paid to
 39 the taxing units from which the excess property taxes were derived. All
 40 powers of the redevelopment commission authorized under this chapter
 41 may be exercised by the redevelopment commission in additional areas
 42 under its jurisdiction.

1 (e) The declaratory resolution must include a statement of the
 2 general boundaries of each additional area. However, it is sufficient to
 3 describe those boundaries by location in relation to public ways,
 4 streams, or otherwise, as determined by the commissioners.

5 (f) The declaratory resolution may include a provision with respect
 6 to the allocation and distribution of property taxes with respect to one
 7 (1) or more of the additional areas in the manner provided in section 39
 8 of this chapter. If the redevelopment commission includes such a
 9 provision in the resolution, allocation areas in the redevelopment
 10 project area and in the additional areas considered to be part of the
 11 redevelopment project area shall be considered a single allocation area
 12 for purposes of this chapter.

13 (g) The additional areas must be located within the same county as
 14 the redevelopment project area but are not otherwise required to be
 15 within the jurisdiction of the redevelopment commission, if the
 16 redevelopment commission obtains the consent by ordinance of:

- 17 (1) the county legislative body, for each additional area located
- 18 within the unincorporated part of the county; or
- 19 (2) the legislative body of the city or town affected, for each
- 20 additional area located within a city or town.

21 In granting its consent, the legislative body shall approve the plan of
 22 development or redevelopment relating to the additional area.

23 (h) A declaratory resolution previously adopted may be amended to
 24 include a provision to include additional areas as set forth in this
 25 section and an allocation provision under section 39 of this chapter
 26 with respect to one (1) or more of the additional areas in accordance
 27 with ~~section 17.5~~ **sections 15, 16, and 17** of this chapter.

28 (i) The redevelopment commission may amend the allocation
 29 provision of a declaratory resolution in accordance with ~~section 17.5~~
 30 **sections 15, 16, and 17** of this chapter to change the assessment date
 31 that determines the base assessed value of property in the allocation
 32 area to any assessment date following the effective date of the
 33 allocation provision of the declaratory resolution. Such a change may
 34 relate to the assessment date that determines the base assessed value of
 35 that portion of the allocation area that is located in the redevelopment
 36 project area alone, that portion of the allocation area that is located in
 37 an additional area alone, or the entire allocation area.

38 SECTION 708. IC 36-7-14-16, AS AMENDED BY P.L.1-2006,
 39 SECTION 565, IS AMENDED TO READ AS FOLLOWS
 40 [EFFECTIVE JULY 1, 2008]: Sec. 16. (a) This subsection does not
 41 apply to the redevelopment commission of an excluded city described
 42 in section 1(b) of this chapter. After adoption of a resolution under

1 section 15 of this chapter **of a resolution that designates a**
 2 **redevelopment project area or amends the resolution or plan for**
 3 **an existing area**, the redevelopment commission shall submit the
 4 resolution and supporting data to the plan commission of the unit, or if
 5 there is no plan commission, then to the body charged with the duty of
 6 developing a general plan for the unit, if there is such a body. The plan
 7 commission may determine whether the resolution and the
 8 redevelopment plan conform to the plan of development for the unit
 9 and approve or disapprove the resolution and plan proposed. The
 10 redevelopment commission may amend or modify the resolution and
 11 proposed plan in order to conform them to the requirements of the plan
 12 commission. The plan commission shall issue its written order
 13 approving or disapproving the resolution and redevelopment plan, and
 14 may, with the consent of the redevelopment commission, rescind or
 15 modify that order.

16 (b) This subsection does not apply to the redevelopment
 17 commission of an excluded city described in section 1(b) of this
 18 chapter. The redevelopment commission may not proceed with:

- 19 (1) the acquisition of a redevelopment project area; **or**
- 20 (2) **the implementation of an amendment to the resolution or**
 21 **plan for an existing redevelopment project area;**

22 until the approving order of the plan commission is issued and
 23 approved by the municipal legislative body or county executive.

24 (c) In determining the location and extent of a redevelopment
 25 project area proposed to be acquired for redevelopment, the
 26 redevelopment commission and the plan commission of the unit shall
 27 give consideration to transitional and permanent provisions for
 28 adequate housing for the residents of the area who will be displaced by
 29 the redevelopment project.

30 (d) **After adoption under section 15 of this chapter of a**
 31 **resolution that designates a redevelopment project area or amends**
 32 **the resolution or plan for an existing area**, a redevelopment
 33 commission in an excluded city that is exempt from the requirements
 34 of subsections (a) and (b) shall submit the resolution and supporting
 35 data to the municipal legislative body of the excluded city. The
 36 municipal legislative body may:

- 37 (1) determine if the resolution and the redevelopment plan
 38 conform to the plan of development for the unit; and
- 39 (2) approve or disapprove the resolution and plan proposed.

40 SECTION 709. IC 36-7-14-17 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 17. (a) After receipt of
 42 the written order of approval of the plan commission and approval of

1 the municipal legislative body or county executive, the redevelopment
 2 commission shall publish notice of the adoption and substance of the
 3 resolution in accordance with IC 5-3-1. The notice must:

4 (1) state that maps and plats have been prepared and can be
 5 inspected at the office of the department; ~~The notice must also~~

6 **and**

7 (2) name a date when the commission will:

8 (A) receive and hear remonstrances and objections from
 9 persons interested in or affected by the proceedings pertaining
 10 to the proposed project **or other actions to be taken under**
 11 **the resolution;** and ~~with~~

12 (B) determine the public utility and benefit of the proposed
 13 project **or other actions.**

14 All persons affected in any manner by the hearing, including all
 15 taxpayers of the special taxing district, shall be considered notified of
 16 the pendency of the hearing and of subsequent acts, hearings,
 17 adjournments, and orders of the commission by the notice given under
 18 this section.

19 (b) A copy of the notice of the hearing on the ~~proposed project~~
 20 **resolution** shall be filed in the office of the unit's plan commission,
 21 board of zoning appeals, works board, park board, and building
 22 commissioner, and any other departments, bodies, or officers of the
 23 unit having to do with unit planning, variances from zoning ordinances,
 24 land use, or the issuance of building permits. These agencies and
 25 officers shall take notice of the pendency of the hearing and, until the
 26 commission confirms, modifies and confirms, or rescinds the
 27 resolution, or the confirmation of the resolution is set aside on appeal,
 28 may not:

29 (1) authorize any construction on property or sewers in the area
 30 described in the resolution, including substantial modifications,
 31 rebuilding, conversion, enlargement, additions, and major
 32 structural improvements; or

33 (2) take any action regarding the zoning or rezoning of property,
 34 or the opening, closing, or improvement of streets, alleys, or
 35 boulevards in the area described in the resolution.

36 This subsection does not prohibit the granting of permits for ordinary
 37 maintenance or minor remodeling, or for changes necessary for the
 38 continued occupancy of buildings in the area.

39 (c) If the resolution to be considered at the hearing includes a
 40 provision establishing or amending an allocation provision under
 41 section 39 of this chapter, the redevelopment commission shall file the
 42 following information with each taxing unit that is wholly or partly

1 located within the allocation area:

- 2 (1) A copy of the notice required by subsection (a).
 3 (2) A statement disclosing the impact of the allocation area,
 4 including the following:
 5 (A) The estimated economic benefits and costs incurred by the
 6 allocation area, as measured by increased employment and
 7 anticipated growth of real property assessed values.
 8 (B) The anticipated impact on tax revenues of each taxing unit.

9 The redevelopment commission shall file the information required by
 10 this subsection with the officers of the taxing unit who are authorized
 11 to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten
 12 (10) days before the date of the hearing.

13 (d) At the hearing, which may be adjourned from time to time, the
 14 redevelopment commission shall hear all persons interested in the
 15 proceedings and shall consider all written remonstrances and
 16 objections that have been filed. After considering the evidence
 17 presented, the commission shall take final action determining the
 18 public utility and benefit of the proposed project **or other actions to**
 19 **be taken under the resolution**, and confirming, modifying and
 20 confirming, or rescinding the resolution. The final action taken by the
 21 commission shall be recorded and is final and conclusive, except that
 22 an appeal may be taken in the manner prescribed by section 18 of this
 23 chapter.

24 SECTION 710. IC 36-7-14-17.5, AS AMENDED BY P.L.185-2005,
 25 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2008]: Sec. 17.5. (a) ~~The commission must conduct a public~~
 27 ~~hearing before amending a resolution or plan for a redevelopment~~
 28 ~~project area; an urban renewal project area; or an economic~~
 29 ~~development area; the commission shall give notice of the hearing in~~
 30 ~~accordance with IC 5-3-1. The notice must:~~

- 31 (1) ~~set forth the substance of the proposed amendment;~~
 32 (2) ~~state the time and place where written remonstrances against~~
 33 ~~the proposed amendment may be filed;~~
 34 (3) ~~set forth the time and place of the hearing; and~~
 35 (4) ~~state that the commission will hear any person who has filed~~
 36 ~~a written remonstrance during the filing period set forth under~~
 37 ~~subdivision (2).~~

38 (b) ~~For the purposes of this section, the consolidation of areas is not~~
 39 ~~considered the enlargement of the boundaries of an area.~~

40 (c) ~~When the commission proposes to amend a resolution or plan,~~
 41 ~~the commission is not required to have evidence or make findings that~~
 42 ~~were required for the establishment of the original redevelopment~~

1 project area, urban renewal area, or economic development area.
 2 However, the commission must make the following findings before
 3 approving the amendment:

4 (1) The amendment is reasonable and appropriate when
 5 considered in relation to the original resolution or plan and the
 6 purposes of this chapter.

7 (2) The resolution or plan, with the proposed amendment,
 8 conforms to the comprehensive plan for the unit.

9 ~~(d)~~ **(a)** In addition to the requirements of ~~subsection (a)~~, **section 17**
 10 **of this chapter**, if the resolution or plan **for an existing**
 11 **redevelopment project area** is proposed to be amended in a way that
 12 changes:

13 (1) parts of the area that are to be devoted to a public way, levee,
 14 sewerage, park, playground, or other public purposes;

15 (2) the proposed use of the land in the area; or

16 (3) requirements for rehabilitation, building requirements,
 17 proposed zoning, maximum densities, or similar requirements;

18 the commission must, at least ten (10) days before the public hearing
 19 **under section 17 of this chapter**, send the notice required by
 20 **subsection (a) section 17 of this chapter** by first class mail to affected
 21 neighborhood associations.

22 ~~(e)~~ **(b)** In addition to the requirements of ~~subsection (a)~~, **section 17**
 23 **of this chapter**, if the resolution or plan **for an existing**
 24 **redevelopment project area** is proposed to be amended in a way that:

25 (1) enlarges the boundaries of the area; ~~by not more than twenty~~
 26 ~~percent (20%) of the original area~~; or

27 (2) adds one (1) or more parcels to the list of parcels to be
 28 acquired;

29 the commission must, at least ten (10) days before the public hearing
 30 **under section 17 of this chapter**, send the notice required by
 31 **subsection (a) section 17 of this chapter** by first class mail to affected
 32 neighborhood associations and to persons owning property that is in the
 33 proposed enlargement of the area or that is proposed to be added to the
 34 acquisition list. If the enlargement of an area is proposed, notice must
 35 also be filed in accordance with section 17(b) of this chapter, and
 36 agencies and officers may not take actions prohibited by section 17(b)
 37 of this chapter in the proposed enlarged area.

38 ~~(f)~~ Notwithstanding subsections (a) and (c), if the resolution or plan
 39 is proposed to be amended in a way that enlarges the original
 40 boundaries of the area by more than twenty percent (20%); the
 41 commission must use the procedure provided for the original
 42 establishment of areas and must comply with sections 15 through 17 of

1 this chapter.

2 (g) At the hearing on the amendments, the commission shall
3 consider written remonstrances that are filed. The action of the
4 commission on the amendment shall be recorded and is final and
5 conclusive, except that an appeal of the commission's action may be
6 taken under section 18 of this chapter.

7 (h) (c) The commission may require that neighborhood associations
8 register with the commission. The commission may adopt a rule that
9 requires that a neighborhood association encompass a part of the
10 geographic area included in or proposed to be included in a
11 redevelopment project area, urban renewal area, or economic
12 development area to qualify as an affected neighborhood association.

13 SECTION 711. IC 36-7-14-20, AS AMENDED BY P.L.185-2005,
14 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JULY 1, 2008]: Sec. 20. (a) **Subject to the approval of the legislative**
16 **body of the unit that established the department of redevelopment,**
17 if the redevelopment commission considers it necessary to acquire real
18 property in a redevelopment project area by the exercise of the power
19 of eminent domain, **they the commission** shall adopt a resolution
20 setting out **their its** determination to exercise that power and directing
21 **their its** attorney to file a petition in the name of the unit on behalf of
22 the department of redevelopment, in the circuit or superior court of the
23 county in which the property is situated.

24 (b) Eminent domain proceedings under this section are governed by
25 IC 32-24 and other applicable statutory provisions for the exercise of
26 the power of eminent domain. Property already devoted to a public use
27 may be acquired under this section, but property belonging to the state
28 or any political subdivision may not be acquired without its consent.

29 (c) The court having jurisdiction shall direct the clerk of the circuit
30 court to execute a deed conveying the title of real property acquired
31 under this section to the unit for the use and benefit of its department
32 of redevelopment.

33 SECTION 712. IC 36-7-14-24 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 24. (a) All expenses
35 incurred by the department of redevelopment that must be paid before
36 the collection of taxes levied under this chapter shall be paid in the
37 manner prescribed by this section. The commission shall certify the
38 items of expense to the fiscal officer of the unit **directing him to pay**
39 **requesting payment of** the amounts certified. **and Subject to**
40 **appropriation by the fiscal body of the unit,** the fiscal officer shall
41 then draw **his a warrant** ~~The warrant shall in the requested amount to~~
42 be paid out of the general fund of the unit. ~~without appropriation by the~~

1 ~~fiscal body or approval by any other body.~~ If the unit has no
 2 unappropriated monies in its general fund, the fiscal officer of the unit
 3 ~~shall may~~ recommend to the fiscal body the temporary transfer from
 4 other funds of the unit of a sufficient amount to meet the items of
 5 expense, or the making of a temporary loan for that purpose. The fiscal
 6 body ~~shall immediately may~~ make the transfer or authorize the
 7 temporary loan in the same manner that other transfers and temporary
 8 loans are made by the unit.

9 (b) The amount advanced by the unit under this section may not
 10 exceed fifty thousand dollars (\$50,000), and the fund or funds of the
 11 unit from which the advancement is made shall be fully reimbursed and
 12 repaid by the redevelopment commission out of ~~the first proceeds of~~
 13 ~~the special taxes levied under this chapter.~~ **legally available revenues.**

14 (c) The redevelopment commission may not use any part of the
 15 amount advanced by the unit under this section in the acquisition of
 16 real property.

17 SECTION 713.IC 36-7-14-25.1, AS AMENDED BY P.L.219-2007,
 18 SECTION 125, IS AMENDED TO READ AS FOLLOWS
 19 [EFFECTIVE JULY 1, 2008]: Sec. 25.1. (a) In addition to other
 20 methods of raising money for property acquisition or redevelopment in
 21 a redevelopment project area, and in anticipation of the special tax to
 22 be levied under section 27 of this chapter, the taxes allocated under
 23 section 39 of this chapter, or other revenues of the district, or any
 24 combination of these sources, the redevelopment commission may, by
 25 resolution and subject to subsection (p), issue the bonds of the special
 26 taxing district in the name of the unit. The amount of the bonds may
 27 not exceed the total, as estimated by the commission, of all expenses
 28 reasonably incurred in connection with the acquisition and
 29 redevelopment of the property, including:

30 (1) the total cost of all land, rights-of-way, and other property to
 31 be acquired and redeveloped;

32 (2) all reasonable and necessary architectural, engineering, legal,
 33 financing, accounting, advertising, bond discount, and
 34 supervisory expenses related to the acquisition and redevelopment
 35 of the property or the issuance of bonds;

36 (3) capitalized interest permitted by this chapter and a debt
 37 service reserve for the bonds to the extent the redevelopment
 38 commission determines that a reserve is reasonably required; and

39 (4) expenses that the redevelopment commission is required or
 40 permitted to pay under IC 8-23-17.

41 (b) If the redevelopment commission plans to acquire different
 42 parcels of land or let different contracts for redevelopment work at

1 approximately the same time, whether under one (1) or more
 2 resolutions, the commission may provide for the total cost in one (1)
 3 issue of bonds.

4 (c) The bonds must be dated as set forth in the bond resolution and
 5 negotiable, subject to the requirements of the bond resolution for
 6 registering the bonds. The resolution authorizing the bonds must state:

7 (1) the denominations of the bonds;

8 (2) the place or places at which the bonds are payable; and

9 (3) the term of the bonds, which may not exceed:

10 (A) fifty (50) years, **for bonds issued before July 1, 2008;**

11 (B) **thirty (30) years, for bonds issued after June 30, 2008,**

12 **to finance:**

13 (i) **an integrated coal gasification powerplant (as defined**
 14 **in IC 6-3.1-29-6);**

15 (ii) **a part of an integrated coal gasification powerplant**
 16 **(as defined in IC 6-3.1-29-6); or**

17 (iii) **property used in the operation of maintenance of an**
 18 **integrated coal gasification powerplant (as defined in**
 19 **IC 6-3.1-29-6) ;**

20 **that received a certificate of public convenience and**
 21 **necessity from the Indiana utility regulatory commission**
 22 **pursuant to IC 8-1-8.5 et seq. before July 1, 2008; or**

23 (C) **twenty-five (25) years, for bonds issued after June 30,**
 24 **2008, that are not described in clause (B).**

25 The resolution may also state that the bonds are redeemable before
 26 maturity with or without a premium, as determined by the
 27 redevelopment commission.

28 (d) The redevelopment commission shall certify a copy of the
 29 resolution authorizing the bonds to the municipal or county fiscal
 30 officer, who shall then prepare the bonds, subject to subsection (p). The
 31 seal of the unit must be impressed on the bonds, or a facsimile of the
 32 seal must be printed on the bonds.

33 (e) The bonds must be executed by the appropriate officer of the
 34 unit and attested by the municipal or county fiscal officer.

35 (f) The bonds are exempt from taxation for all purposes.

36 (g) The municipal or county fiscal officer shall give notice of the
 37 sale of the bonds by publication in accordance with IC 5-3-1. The
 38 municipal fiscal officer, or county fiscal officer or executive, shall sell
 39 the bonds to the highest bidder, but may not sell them for less than
 40 ninety-seven percent (97%) of their par value. However, bonds payable
 41 solely or in part from tax proceeds allocated under section 39(b)(2) of
 42 this chapter, or other revenues of the district may be sold at a private

1 negotiated sale.

2 (h) Except as provided in subsection (i), a redevelopment
3 commission may not issue the bonds when the total issue, including
4 bonds already issued and to be issued, exceeds two percent (2%) of the
5 adjusted value of the taxable property in the special taxing district, as
6 determined under IC 36-1-15.

7 (i) The bonds are not a corporate obligation of the unit but are an
8 indebtedness of the taxing district. The bonds and interest are payable,
9 as set forth in the bond resolution of the redevelopment commission:

10 (1) from a special tax levied upon all of the property in the taxing
11 district, as provided by section 27 of this chapter;

12 (2) from the tax proceeds allocated under section 39(b)(2) of this
13 chapter;

14 (3) from other revenues available to the redevelopment
15 commission; or

16 (4) from a combination of the methods stated in subdivisions (1)
17 through (3).

18 If the bonds are payable solely from the tax proceeds allocated under
19 section 39(b)(2) of this chapter, other revenues of the redevelopment
20 commission, or any combination of these sources, they may be issued
21 in any amount without limitation.

22 (j) Proceeds from the sale of bonds may be used to pay the cost of
23 interest on the bonds for a period not to exceed five (5) years from the
24 date of issuance.

25 (k) All laws relating to the giving of notice of the issuance of bonds,
26 the giving of notice of a hearing on the appropriation of the proceeds
27 of the bonds, the right of taxpayers to appear and be heard on the
28 proposed appropriation, and the approval of the appropriation by the
29 department of local government finance apply to all bonds issued under
30 this chapter that are payable from the special benefits tax levied
31 pursuant to section 27 of this chapter or from taxes allocated under
32 section 39 of this chapter.

33 (l) All laws relating to:

34 (1) the filing of petitions requesting the issuance of bonds; and

35 (2) the right of:

36 (A) taxpayers and voters to remonstrate against the issuance of
37 bonds **in the case of a proposed bond issue described by**
38 **IC 6-1.1-20-3.1(a); or**

39 (B) voters to vote on the issuance of bonds **in the case of a**
40 **proposed bond issue described by IC 6-1.1-20-3.5(a);**

41 apply to bonds issued under this chapter except for bonds payable
42 solely from tax proceeds allocated under section 39(b)(2) of this

1 ~~chapter other~~ revenues of the redevelopment commission. ~~or any~~
2 ~~combination of these sources~~

3 (m) If a debt service reserve is created from the proceeds of bonds,
4 the debt service reserve may be used to pay principal and interest on
5 the bonds as provided in the bond resolution.

6 (n) Any amount remaining in the debt service reserve after all of the
7 bonds of the issue for which the debt service reserve was established
8 have matured shall be:

9 (1) deposited in the allocation fund established under section
10 39(b)(2) of this chapter; **and**

11 **(2) to the extent permitted by law, transferred to the county**
12 **or municipality that established the department of**
13 **redevelopment for use in reducing the county's or**
14 **municipality's property tax levies for debt service.**

15 (o) If bonds are issued under this chapter that are payable solely or
16 in part from revenues to the redevelopment commission from a project
17 or projects, the redevelopment commission may adopt a resolution or
18 trust indenture or enter into covenants as is customary in the issuance
19 of revenue bonds. The resolution or trust indenture may pledge or
20 assign the revenues from the project or projects, but may not convey or
21 mortgage any project or parts of a project. The resolution or trust
22 indenture may also contain any provisions for protecting and enforcing
23 the rights and remedies of the bond owners as may be reasonable and
24 proper and not in violation of law, including covenants setting forth the
25 duties of the redevelopment commission. The redevelopment
26 commission may establish fees and charges for the use of any project
27 and covenant with the owners of any bonds to set those fees and
28 charges at a rate sufficient to protect the interest of the owners of the
29 bonds. Any revenue bonds issued by the redevelopment commission
30 that are payable solely from revenues of the commission shall contain
31 a statement to that effect in the form of bond.

32 (p) If the total principal amount of bonds authorized by a resolution
33 of the redevelopment commission **adopted before July 1, 2008**, is
34 equal to or greater than three million dollars (\$3,000,000), the bonds
35 may not be issued without the approval, by resolution, of the legislative
36 body of the unit. **Bonds authorized in any principal amount by a**
37 **resolution of the redevelopment commission adopted after June 30,**
38 **2008, may not be issued without the approval of the legislative**
39 **body of the unit.**

40 SECTION 714. IC 36-7-14-25.2 IS AMENDED TO READ AS
41 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 25.2. (a) A
42 redevelopment commission may enter into a lease of any property that

1 could be financed with the proceeds of bonds issued under this chapter
2 with a lessor for a term not to exceed:

3 (1) fifty (50) years, ~~and for a lease entered into before July 1,~~
4 **2008; or**

5 (2) **twenty-five (25) years, for a lease entered into after June**
6 **30, 2008.**

7 The lease may provide for payments to be made by the redevelopment
8 commission from special benefits taxes levied under section 27 of this
9 chapter, taxes allocated under section 39 of this chapter, any other
10 revenues available to the redevelopment commission, or any
11 combination of these sources.

12 (b) A lease may provide that payments by the redevelopment
13 commission to the lessor are required only to the extent and only for the
14 period that the lessor is able to provide the leased facilities in
15 accordance with the lease. The terms of each lease must be based upon
16 the value of the facilities leased and may not create a debt of the unit
17 or the district for purposes of the Constitution of the State of Indiana.

18 (c) A lease may be entered into by the redevelopment commission
19 only after a public hearing by the redevelopment commission at which
20 all interested parties are provided the opportunity to be heard. After the
21 public hearing, the redevelopment commission may adopt a resolution
22 authorizing the execution of the lease on behalf of the unit if it finds
23 that the service to be provided throughout the term of the lease will
24 serve the public purpose of the unit and is in the best interests of its
25 residents. Any lease approved by a resolution of the redevelopment
26 commission must be approved by an ordinance of the fiscal body of the
27 unit.

28 (d) Upon execution of a lease providing for payments by the
29 redevelopment commission in whole or in part from the levy of special
30 benefits taxes under section 27 of this chapter and upon approval of the
31 lease by the unit's fiscal body, the redevelopment commission shall
32 publish notice of the execution of the lease and its approval in
33 accordance with IC 5-3-1. Fifty (50) or more taxpayers residing in the
34 redevelopment district who will be affected by the lease and who may
35 be of the opinion that no necessity exists for the execution of the lease
36 or that the payments provided for in the lease are not fair and
37 reasonable may file a petition in the office of the county auditor within
38 thirty (30) days after the publication of the notice of execution and
39 approval. The petition must set forth the petitioners' names, addresses,
40 and objections to the lease and the facts showing that the execution of
41 the lease is unnecessary or unwise or that the payments provided for in
42 the lease are not fair and reasonable, as the case may be.

1 (e) Upon the filing of the petition, the county auditor shall
2 immediately certify a copy of it, together with such other data as may
3 be necessary in order to present the questions involved, to the
4 department of local government finance. Upon receipt of the certified
5 petition and information, the department of local government finance
6 shall fix a time and place for a hearing in the redevelopment district,
7 which must be not less than five (5) or more than thirty (30) days after
8 the time is fixed. Notice of the hearing shall be given by the department
9 of local government finance to the members of the fiscal body, to the
10 redevelopment commission, and to the first fifty (50) petitioners on the
11 petition by a letter signed by the commissioner or deputy commissioner
12 of the department and enclosed with fully prepaid postage sent to those
13 persons at their usual place of residence, at least five (5) days before
14 the date of the hearing. The decision of the department of local
15 government finance on the appeal, upon the necessity for the execution
16 of the lease, and as to whether the payments under it are fair and
17 reasonable, is final.

18 (f) A redevelopment commission entering into a lease payable from
19 allocated taxes under section 39 of this chapter or other available funds
20 of the redevelopment commission may:

21 (1) pledge the revenue to make payments under the lease pursuant
22 to IC 5-1-14-4; and

23 (2) establish a special fund to make the payments.

24 (g) Lease rentals may be limited to money in the special fund so that
25 the obligations of the redevelopment commission to make the lease
26 rental payments are not considered debt of the unit or the district for
27 purposes of the Constitution of the State of Indiana.

28 (h) Except as provided in this section, no approvals of any
29 governmental body or agency are required before the redevelopment
30 commission enters into a lease under this section.

31 (i) An action to contest the validity of the lease or to enjoin the
32 performance of any of its terms and conditions must be brought within
33 thirty (30) days after the publication of the notice of the execution and
34 approval of the lease. However, if the lease is payable in whole or in
35 part from tax levies and an appeal has been taken to the department of
36 local government finance, an action to contest the validity or enjoin the
37 performance must be brought within thirty (30) days after the decision
38 of the department.

39 (j) If a redevelopment commission exercises an option to buy a
40 leased facility from a lessor, the redevelopment commission may
41 subsequently sell the leased facility, without regard to any other statute,
42 to the lessor at the end of the lease term at a price set forth in the lease

1 or at fair market value established at the time of the sale by the
2 redevelopment commission through auction, appraisal, or arms length
3 negotiation. If the facility is sold at auction, after appraisal, or through
4 negotiation, the redevelopment commission shall conduct a hearing
5 after public notice in accordance with IC 5-3-1 before the sale. Any
6 action to contest the sale must be brought within fifteen (15) days of
7 the hearing.

8 SECTION 715. IC 36-7-14-27 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 27. (a) This section
10 applies only to:

11 (1) bonds that are issued under section 25.1 of this chapter; **and**

12 (2) leases entered into under section 25.2 of this chapter;

13 which are payable from a special tax levied upon all of the property in
14 the special taxing district. This section does not apply to bonds or
15 leases that are payable solely from tax proceeds allocated under section
16 39(b)(2) of this chapter, other revenues of the redevelopment
17 commission, or any combination of these sources.

18 (b) The redevelopment commission shall levy each year a special
19 tax on all of the property of the redevelopment taxing district, in such
20 a manner as to meet and pay the principal of the bonds as they mature,
21 together with all accruing interest on the bonds or lease rental
22 payments under section 25.2 of this chapter. The commission shall
23 cause the tax levied to be certified to the proper officers as other tax
24 levies are certified, and to the auditor of the county in which the
25 redevelopment district is located, before the second day of October in
26 each year. The tax shall be estimated and entered on the tax duplicate
27 by the county auditor and shall be collected and enforced by the county
28 treasurer in the same manner as other state and county taxes are
29 estimated, entered, collected, and enforced. The amount of the tax
30 levied to pay bonds or lease rentals payable from the tax levied under
31 this section shall be reduced by any amount available in the allocation
32 fund established under section 39(b)(2) of this chapter or other
33 revenues of the redevelopment commission to the extent such revenues
34 have been set aside in the redevelopment bond fund.

35 (c) As the tax is collected, it shall be accumulated in a separate fund
36 to be known as the redevelopment district bond fund and shall be
37 applied to the payment of the bonds as they mature and the interest on
38 the bonds as it accrues, or to make lease payments and to no other
39 purpose. All accumulations of the fund before their use for the payment
40 of bonds and interest or to make lease payments shall be deposited with
41 the depository or depositories for other public funds of the unit in
42 accordance with IC 5-13, unless they are invested under IC 5-13-9.

1 (d) If there are no outstanding bonds that are payable solely or in
2 part from tax proceeds allocated under section 39(b)(2) of this chapter
3 and that were issued to pay costs of redevelopment in an allocation area
4 that is located wholly or in part in the special taxing district, then all
5 proceeds from the sale or leasing of property in the allocation area
6 under section 22 of this chapter shall be paid into the redevelopment
7 district bond fund and become a part of that fund. In arriving at the tax
8 levy for any year, the redevelopment commission ~~may~~ **shall** take into
9 account the amount of the proceeds deposited under this subsection and
10 remaining on hand.

11 (e) The tax levies provided for in this section are reviewable by
12 other bodies vested by law with the authority to ascertain that the levies
13 are sufficient to raise the amount that, with other amounts available, is
14 sufficient to meet the payments under the lease payable from the levy
15 of taxes.

16 SECTION 716. IC 36-7-14-27.5, AS AMENDED BY P.L.224-2007,
17 SECTION 121, IS AMENDED TO READ AS FOLLOWS
18 [EFFECTIVE UPON PASSAGE]: Sec. 27.5. (a) The redevelopment
19 commission may borrow money in anticipation of receipt of the
20 proceeds of taxes levied for the redevelopment district bond fund and
21 not yet collected, and may evidence this borrowing by issuing warrants
22 of the redevelopment district. However, the aggregate principal amount
23 of warrants issued in anticipation of and payable from the same tax
24 levy or levies may not exceed an amount equal to eighty percent (80%)
25 of that tax levy or levies, as certified by the department of local
26 government finance, or as determined by multiplying the rate of tax as
27 finally approved by the total assessed valuation (after deducting all
28 mortgage deductions) within the redevelopment district, as most
29 recently certified by the county auditor.

30 (b) The warrants may be authorized and issued at any time after the
31 tax or taxes in anticipation of which they are issued have been levied
32 by the redevelopment commission. For purposes of this section, taxes
33 for any year are considered to be levied upon adoption by the
34 commission of a resolution prescribing the tax levies for the year.
35 However, the warrants may not be delivered and paid for before final
36 approval of the tax levy or levies by the county board of tax adjustment
37 (~~before January 1, 2009~~); ~~the county board of tax and capital projects~~
38 ~~review (after December 31, 2008)~~; or, if appealed, by the department
39 of local government finance, unless the issuance of the warrants has
40 been approved by the department.

41 (c) All action that this section requires or authorizes the
42 redevelopment commission to take may be taken by resolution, which

1 need not be published or posted. The resolution takes effect
 2 immediately upon its adoption by the redevelopment commission. An
 3 action to contest the validity of tax anticipation warrants may not be
 4 brought later than ten (10) days after the sale date.

5 (d) In their resolution authorizing the warrants, the redevelopment
 6 commission must provide that the warrants mature at a time or times
 7 not later than December 31 after the year in which the taxes in
 8 anticipation of which the warrants are issued are due and payable.

9 (e) In their resolution authorizing the warrants, the redevelopment
 10 commission may provide:

- 11 (1) the date of the warrants;
- 12 (2) the interest rate of the warrants;
- 13 (3) the time of interest payments on the warrants;
- 14 (4) the denomination of the warrants;
- 15 (5) the form either registered or payable to bearer, of the warrants;
- 16 (6) the place or places of payment of the warrants, either inside or
 17 outside the state;
- 18 (7) the medium of payment of the warrants;
- 19 (8) the terms of redemption, if any, of the warrants, at a price not
 20 exceeding par value and accrued interest;
- 21 (9) the manner of execution of the warrants; and
- 22 (10) that all costs incurred in connection with the issuance of the
 23 warrants may be paid from the proceeds of the warrants.

24 (f) The warrants shall be sold for not less than par value, after notice
 25 inviting bids has been published under IC 5-3-1. The redevelopment
 26 commission may also publish the notice in other newspapers or
 27 financial journals.

28 (g) Warrants and the interest on them are not subject to any
 29 limitation contained in section 25.1 of this chapter, and are payable
 30 solely from the proceeds of the tax levy or levies in anticipation of
 31 which the warrants were issued. The authorizing resolution must
 32 pledge a sufficient amount of the proceeds of the tax levy or levies to
 33 the payment of the warrants and the interest.

34 SECTION 717. IC 36-7-14-32.5, AS AMENDED BY P.L.163-2006,
 35 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JULY 1, 2008]: Sec. 32.5. (a) **Subject to the approval of the fiscal
 37 body of the unit that established the department of redevelopment,**
 38 the commission may acquire a parcel of real property by the exercise
 39 of eminent domain when the real property has all of the following
 40 characteristics:

- 41 (1) The real property meets at least one (1) of the conditions
 42 described in IC 32-24-4.5-7(1).

1 (2) The real property is capable of being developed or
2 rehabilitated to provide affordable housing for low or moderate
3 income families or to provide other development that will benefit
4 or serve low or moderate income families.

5 (3) The condition of the real property has a negative impact on the
6 use or value of the neighboring properties or other properties in
7 the community.

8 (b) The commission or the commission's designated hearing
9 examiner shall conduct a public meeting to determine whether a parcel
10 of real property has the characteristics set forth in subsection (a). Each
11 person holding a fee or life estate interest of record in the property must
12 be given notice by first class mail of the time and date of the hearing at
13 least ten (10) days before the hearing and is entitled to present evidence
14 and make arguments at the hearing.

15 (c) If the commission considers it necessary to acquire real property
16 under this section, the commission shall adopt a resolution setting out
17 the commission's determination to exercise that power and directing the
18 commission's attorney to file a petition in the name of the city on behalf
19 of the department in the circuit or superior court with jurisdiction in the
20 county.

21 (d) Eminent domain proceedings under this section are governed by
22 IC 32-24.

23 (e) The commission shall use real property acquired under this
24 section for one (1) of the following purposes:

25 (1) Sale in an urban homestead program under IC 36-7-17.

26 (2) Sale to a family whose income is at or below the county's
27 median income for families.

28 (3) Sale or grant to a neighborhood development corporation with
29 a condition in the granting clause of the deed requiring the
30 nonprofit development corporation to lease or sell the property to
31 a family whose income is at or below the county's median income
32 for families or to cause development that will serve or benefit
33 families whose income is at or below the unit's median income for
34 families.

35 (4) Any other purpose appropriate under this chapter so long as
36 it will serve or benefit families whose income is at or below the
37 unit's median income for families.

38 (f) A neighborhood development corporation or nonprofit
39 corporation that receives property under this section must agree to
40 rehabilitate or otherwise develop the property in a manner that is
41 similar to and consistent with the use of the other properties in the area
42 served by the corporation.

1 SECTION 718. IC 36-7-14-35, AS AMENDED BY P.L.154-2006,
 2 SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2008]: Sec. 35. (a) **Subject to the approval of the fiscal**
 4 **body of the unit that established the department of redevelopment,**
 5 **and** in order to:

- 6 (1) undertake survey and planning activities under this chapter;
- 7 (2) undertake and carry out any redevelopment project, urban
 8 renewal project, or housing program;
- 9 (3) pay principal and interest on any advances;
- 10 (4) pay or retire any bonds and interest on them; or
- 11 (5) refund loans previously made under this section;

12 the redevelopment commission may apply for and accept advances,
 13 short term and long term loans, grants, contributions, and any other
 14 form of financial assistance from the federal government, or from any
 15 of its agencies. The commission may also enter into and carry out
 16 contracts and agreements in connection with that financial assistance
 17 upon the terms and conditions that the commission considers
 18 reasonable and appropriate, as long as those terms and conditions are
 19 not inconsistent with the purposes of this chapter. The provisions of
 20 such a contract or agreement in regard to the handling, deposit, and
 21 application of project funds, as well as all other provisions, are valid
 22 and binding on the unit or its executive departments and officers, as
 23 well as the commission, notwithstanding any other provision of this
 24 chapter.

25 (b) **Subject to the approval of the fiscal body of the unit that**
 26 **established the department of redevelopment,** the redevelopment
 27 commission may issue and sell bonds, notes, or warrants to the federal
 28 government to evidence short term or long term loans made under this
 29 section, without notice of sale being given or a public offering being
 30 made.

31 (c) Notwithstanding the provisions of this or any other chapter,
 32 bonds, notes, or warrants issued by the redevelopment commission
 33 under this section may:

- 34 (1) be in the amounts, form, or denomination;
- 35 (2) be either coupon or registered;
- 36 (3) carry conversion or other privileges;
- 37 (4) have a rank or priority;
- 38 (5) be of such description;
- 39 (6) be secured (subject to other provisions of this section) in such
 40 manner;
- 41 (7) bear interest at a rate or rates;
- 42 (8) be payable as to both principal and interest in a medium of

- 1 payment, at a time or times (which may be upon demand) and at
2 a place or places;
3 (9) be subject to terms of redemption (with or without premium);
4 (10) contain or be subject to any covenants, conditions, and
5 provisions; and
6 (11) have any other characteristics;

7 that the commission considers reasonable and appropriate.

8 (d) Bonds, notes, or warrants issued under this section are not an
9 indebtedness of the unit or taxing district within the meaning of any
10 constitutional or statutory limitation of indebtedness. The bonds, notes,
11 or warrants are not payable from or secured by a levy of taxes, but are
12 payable only from and secured only by income, funds, and properties
13 of the project becoming available to the redevelopment commission
14 under this chapter, as the commission specifies in the resolution
15 authorizing their issuance.

16 (e) Bonds, notes, or warrants issued under this section are exempt
17 from taxation for all purposes.

18 (f) Bonds, notes, or warrants issued under this section must be
19 executed by the appropriate officers of the unit in the name of the "City
20 (or Town or County) of _____, Department of
21 Redevelopment", and must be attested by the appropriate officers of the
22 unit.

23 (g) Following the adoption of the resolution authorizing the issuance
24 of bonds, notes, or warrants under this section, the redevelopment
25 commission shall certify a copy of that resolution to the officers of the
26 unit who have duties with respect to bonds, notes, or warrants of the
27 unit. At the proper time, the commission shall deliver to the officers the
28 unexecuted bonds, notes, or warrants prepared for execution in
29 accordance with the resolution.

30 (h) All bonds, notes, or warrants issued under this section shall be
31 sold by the officers of the unit who have duties with respect to the sale
32 of bonds, notes, or warrants of the unit. If an officer whose signature
33 appears on any bonds, notes, or warrants issued under this section
34 leaves office before their delivery, the signature remains valid and
35 sufficient for all purposes as if the officer had remained in office until
36 the delivery.

37 (i) If at any time during the life of a loan contract or agreement
38 under this section the redevelopment commission can obtain loans for
39 the purposes of this section from sources other than the federal
40 government at interest rates not less favorable than provided in the loan
41 contract or agreement, and if the loan contract or agreement so permits,
42 the commission may do so and may pledge the loan contract and any

1 rights under that contract as security for the repayment of the loans
 2 obtained from other sources. Any loan under this subsection may be
 3 evidenced by bonds, notes, or warrants issued and secured in the same
 4 manner as provided in this section for loans from the federal
 5 government. These bonds, notes, or warrants may be sold at either
 6 public or private sale, as the commission considers appropriate.

7 (j) Money obtained from the federal government or from other
 8 sources under this section, and money that is required by a contract or
 9 agreement under this section to be used for project expenditure
 10 purposes, repayment of survey and planning advances, or repayment of
 11 temporary or definitive loans, may be expended by the redevelopment
 12 commission without regard to any law pertaining to the making and
 13 approval of budgets, appropriations, and expenditures.

14 (k) Bonds, notes, or warrants issued under this section are declared
 15 to be issued for an essential public and governmental purpose.

16 SECTION 719. IC 36-7-14-39, AS AMENDED BY P.L.154-2006,
 17 SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2008]: Sec. 39. (a) As used in this section:

19 "Allocation area" means that part of a redevelopment project area
 20 to which an allocation provision of a declaratory resolution adopted
 21 under section 15 of this chapter refers for purposes of distribution and
 22 allocation of property taxes.

23 "Base assessed value" means the following:

24 (1) If an allocation provision is adopted after June 30, 1995, in a
 25 declaratory resolution or an amendment to a declaratory
 26 resolution establishing an economic development area:

27 (A) the net assessed value of all the property as finally
 28 determined for the assessment date immediately preceding the
 29 effective date of the allocation provision of the declaratory
 30 resolution, as adjusted under subsection (h); plus

31 (B) to the extent that it is not included in clause (A), the net
 32 assessed value of property that is assessed as residential
 33 property under the rules of the department of local government
 34 finance, as finally determined for any assessment date after the
 35 effective date of the allocation provision.

36 (2) If an allocation provision is adopted after June 30, 1997, in a
 37 declaratory resolution or an amendment to a declaratory
 38 resolution establishing a redevelopment project area:

39 (A) the net assessed value of all the property as finally
 40 determined for the assessment date immediately preceding the
 41 effective date of the allocation provision of the declaratory
 42 resolution, as adjusted under subsection (h); plus

1 (B) to the extent that it is not included in clause (A), the net
 2 assessed value of property that is assessed as residential
 3 property under the rules of the department of local government
 4 finance, as finally determined for any assessment date after the
 5 effective date of the allocation provision.

6 (3) If:

7 (A) an allocation provision adopted before June 30, 1995, in
 8 a declaratory resolution or an amendment to a declaratory
 9 resolution establishing a redevelopment project area expires
 10 after June 30, 1997; and

11 (B) after June 30, 1997, a new allocation provision is included
 12 in an amendment to the declaratory resolution;

13 the net assessed value of all the property as finally determined for
 14 the assessment date immediately preceding the effective date of
 15 the allocation provision adopted after June 30, 1997, as adjusted
 16 under subsection (h).

17 (4) Except as provided in subdivision (5), for all other allocation
 18 areas, the net assessed value of all the property as finally
 19 determined for the assessment date immediately preceding the
 20 effective date of the allocation provision of the declaratory
 21 resolution, as adjusted under subsection (h).

22 (5) If an allocation area established in an economic development
 23 area before July 1, 1995, is expanded after June 30, 1995, the
 24 definition in subdivision (1) applies to the expanded part of the
 25 area added after June 30, 1995.

26 (6) If an allocation area established in a redevelopment project
 27 area before July 1, 1997, is expanded after June 30, 1997, the
 28 definition in subdivision (2) applies to the expanded part of the
 29 area added after June 30, 1997.

30 Except as provided in section 39.3 of this chapter, "property taxes"
 31 means taxes imposed under IC 6-1.1 on real property. However, upon
 32 approval by a resolution of the redevelopment commission adopted
 33 before June 1, 1987, "property taxes" also includes taxes imposed
 34 under IC 6-1.1 on depreciable personal property. If a redevelopment
 35 commission adopted before June 1, 1987, a resolution to include within
 36 the definition of property taxes taxes imposed under IC 6-1.1 on
 37 depreciable personal property that has a useful life in excess of eight
 38 (8) years, the commission may by resolution determine the percentage
 39 of taxes imposed under IC 6-1.1 on all depreciable personal property
 40 that will be included within the definition of property taxes. However,
 41 the percentage included must not exceed twenty-five percent (25%) of
 42 the taxes imposed under IC 6-1.1 on all depreciable personal property.

1 (b) A declaratory resolution adopted under section 15 of this chapter
 2 on or before the allocation deadline determined under subsection (i)
 3 may include a provision with respect to the allocation and distribution
 4 of property taxes for the purposes and in the manner provided in this
 5 section. A declaratory resolution previously adopted may include an
 6 allocation provision by the amendment of that declaratory resolution on
 7 or before the allocation deadline determined under subsection (i) in
 8 accordance with the procedures required for its original adoption. A
 9 declaratory resolution or an amendment that establishes an allocation
 10 provision after June 30, 1995, must specify an expiration date for the
 11 allocation provision. ~~that~~ **For an allocation area established before**
 12 **July 1, 2008, the expiration date** may not be more than thirty (30)
 13 years after the date on which the allocation provision is established.
 14 **For an allocation area established after June 30, 2008, the**
 15 **expiration date may not be more than twenty-five (25) years after**
 16 **the date on which the allocation provision is established.** However,
 17 **with respect to bonds or other obligations that were issued before**
 18 **July 1, 2008, if any of the** bonds or other obligations that were
 19 scheduled when issued to mature before the specified expiration date
 20 and that are payable only from allocated tax proceeds with respect to
 21 the allocation area remain outstanding as of the expiration date, the
 22 allocation provision does not expire until all of the bonds or other
 23 obligations are no longer outstanding. The allocation provision may
 24 apply to all or part of the redevelopment project area. The allocation
 25 provision must require that any property taxes subsequently levied by
 26 or for the benefit of any public body entitled to a distribution of
 27 property taxes on taxable property in the allocation area be allocated
 28 and distributed as follows:

29 (1) Except as otherwise provided in this section, the proceeds of
 30 the taxes attributable to the lesser of:

31 (A) the assessed value of the property for the assessment date
 32 with respect to which the allocation and distribution is made;
 33 or

34 (B) the base assessed value;

35 shall be allocated to and, when collected, paid into the funds of
 36 the respective taxing units.

37 (2) Except as otherwise provided in this section, property tax
 38 proceeds in excess of those described in subdivision (1) shall be
 39 allocated to the redevelopment district and, when collected, paid
 40 into an allocation fund for that allocation area that may be used by
 41 the redevelopment district only to do one (1) or more of the
 42 following:

- 1 (A) Pay the principal of and interest on any obligations
 2 payable solely from allocated tax proceeds which are incurred
 3 by the redevelopment district for the purpose of financing or
 4 refinancing the redevelopment of that allocation area.
- 5 (B) Establish, augment, or restore the debt service reserve for
 6 bonds payable solely or in part from allocated tax proceeds in
 7 that allocation area.
- 8 (C) Pay the principal of and interest on bonds payable from
 9 allocated tax proceeds in that allocation area and from the
 10 special tax levied under section 27 of this chapter.
- 11 (D) Pay the principal of and interest on bonds issued by the
 12 unit to pay for local public improvements ~~in or serving that~~
 13 **are physically located in or physically connected to** that
 14 allocation area.
- 15 (E) Pay premiums on the redemption before maturity of bonds
 16 payable solely or in part from allocated tax proceeds in that
 17 allocation area.
- 18 (F) Make payments on leases payable from allocated tax
 19 proceeds in that allocation area under section 25.2 of this
 20 chapter.
- 21 (G) Reimburse the unit for expenditures made by it for local
 22 public improvements (which include buildings, parking
 23 facilities, and other items described in section 25.1(a) of this
 24 chapter) ~~in or serving that~~ **are physically located in or**
 25 **physically connected to** that allocation area.
- 26 (H) Reimburse the unit for rentals paid by it for a building or
 27 parking facility ~~in or serving that~~ **is physically located in or**
 28 **physically connected to** that allocation area under any lease
 29 entered into under IC 36-1-10.
- 30 (I) **For property taxes first due and payable before January**
 31 **1, 2009**, pay all or a part of a property tax replacement credit
 32 to taxpayers in an allocation area as determined by the
 33 redevelopment commission. This credit equals the amount
 34 determined under the following STEPS for each taxpayer in a
 35 taxing district (as defined in IC 6-1.1-1-20) that contains all or
 36 part of the allocation area:
 37 STEP ONE: Determine that part of the sum of the amounts
 38 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
 39 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
 40 IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.
 41 STEP TWO: Divide:
 42 (i) that part of each county's eligible property tax

1 replacement amount (as defined in IC 6-1.1-21-2) for that
 2 year as determined under IC 6-1.1-21-4 that is attributable
 3 to the taxing district; by
 4 (ii) the STEP ONE sum.

5 STEP THREE: Multiply:

6 (i) the STEP TWO quotient; times
 7 (ii) the total amount of the taxpayer's taxes (as defined in
 8 IC 6-1.1-21-2) levied in the taxing district that have been
 9 allocated during that year to an allocation fund under this
 10 section.

11 If not all the taxpayers in an allocation area receive the credit
 12 in full, each taxpayer in the allocation area is entitled to
 13 receive the same proportion of the credit. A taxpayer may not
 14 receive a credit under this section and a credit under section
 15 39.5 of this chapter **(before its repeal)** in the same year.

16 (J) Pay expenses incurred by the redevelopment commission
 17 for local public improvements that are in the allocation area or
 18 serving the allocation area. Public improvements include
 19 buildings, parking facilities, and other items described in
 20 section 25.1(a) of this chapter.

21 (K) Reimburse public and private entities for expenses
 22 incurred in training employees of industrial facilities that are
 23 located:

24 (i) in the allocation area; and
 25 (ii) on a parcel of real property that has been classified as
 26 industrial property under the rules of the department of local
 27 government finance.

28 However, the total amount of money spent for this purpose in
 29 any year may not exceed the total amount of money in the
 30 allocation fund that is attributable to property taxes paid by the
 31 industrial facilities described in this clause. The
 32 reimbursements under this clause must be made within three
 33 (3) years after the date on which the investments that are the
 34 basis for the increment financing are made.

35 The allocation fund may not be used for operating expenses of the
 36 commission.

37 (3) Except as provided in subsection (g), before July 15 of each
 38 year the commission shall do the following:

39 (A) Determine the amount, if any, by which the ~~base~~ assessed
 40 value **of the taxable property in the allocation area for the**
 41 **most recent assessment date minus the base assessed value,**
 42 when multiplied by the estimated tax rate of the allocation

1 area, will exceed the amount of assessed value needed to
 2 produce the property taxes necessary to make, when due,
 3 principal and interest payments on bonds described in
 4 subdivision (2) plus the amount necessary for other purposes
 5 described in subdivision (2).

6 **(B) Notify Provide a written notice to the county auditor, of**
 7 **the fiscal body of the county or municipality that**
 8 **established the department of redevelopment, and the**
 9 **officers who are authorized to fix budgets, tax rates, and**
 10 **tax levies under IC 6-1.1-17-5 for each of the other taxing**
 11 **units that is wholly or partly located within the allocation**
 12 **area. The notice must:**

13 **(i) state** the amount, if any, of ~~the amount of~~ excess assessed
 14 value that the commission has determined may be allocated
 15 to the respective taxing units in the manner prescribed in
 16 subdivision (1); **or**

17 **(ii) state that the commission has determined that there**
 18 **is no excess assessed value that may be allocated to the**
 19 **respective taxing units in the manner prescribed in**
 20 **subdivision (1).**

21 **The county auditor shall allocate to the respective taxing**
 22 **units the amount, if any, of excess assessed value**
 23 **determined by the commission.** The commission may not
 24 authorize an allocation of assessed value to the respective
 25 taxing units under this subdivision if to do so would endanger
 26 the interests of the holders of bonds described in subdivision
 27 (2) or lessors under section 25.3 of this chapter.

28 (c) For the purpose of allocating taxes levied by or for any taxing
 29 unit or units, the assessed value of taxable property in a territory in the
 30 allocation area that is annexed by any taxing unit after the effective
 31 date of the allocation provision of the declaratory resolution is the
 32 lesser of:

33 (1) the assessed value of the property for the assessment date with
 34 respect to which the allocation and distribution is made; or

35 (2) the base assessed value.

36 (d) Property tax proceeds allocable to the redevelopment district
 37 under subsection (b)(2) may, subject to subsection (b)(3), be
 38 irrevocably pledged by the redevelopment district for payment as set
 39 forth in subsection (b)(2).

40 (e) Notwithstanding any other law, each assessor shall, upon
 41 petition of the redevelopment commission, reassess the taxable
 42 property situated upon or in, or added to, the allocation area, effective

1 on the next assessment date after the petition.

2 (f) Notwithstanding any other law, the assessed value of all taxable
3 property in the allocation area, for purposes of tax limitation, property
4 tax replacement, and formulation of the budget, tax rate, and tax levy
5 for each political subdivision in which the property is located is the
6 lesser of:

7 (1) the assessed value of the property as valued without regard to
8 this section; or

9 (2) the base assessed value.

10 (g) If any part of the allocation area is located in an enterprise zone
11 created under IC 5-28-15, the unit that designated the allocation area
12 shall create funds as specified in this subsection. A unit that has
13 obligations, bonds, or leases payable from allocated tax proceeds under
14 subsection (b)(2) shall establish an allocation fund for the purposes
15 specified in subsection (b)(2) and a special zone fund. Such a unit
16 shall, until the end of the enterprise zone phase out period, deposit each
17 year in the special zone fund any amount in the allocation fund derived
18 from property tax proceeds in excess of those described in subsection
19 (b)(1) from property located in the enterprise zone that exceeds the
20 amount sufficient for the purposes specified in subsection (b)(2) for the
21 year. The amount sufficient for purposes specified in subsection (b)(2)
22 for the year shall be determined based on the pro rata portion of such
23 current property tax proceeds from the part of the enterprise zone that
24 is within the allocation area as compared to all such current property
25 tax proceeds derived from the allocation area. A unit that has no
26 obligations, bonds, or leases payable from allocated tax proceeds under
27 subsection (b)(2) shall establish a special zone fund and deposit all the
28 property tax proceeds in excess of those described in subsection (b)(1)
29 in the fund derived from property tax proceeds in excess of those
30 described in subsection (b)(1) from property located in the enterprise
31 zone. The unit that creates the special zone fund shall use the fund
32 (based on the recommendations of the urban enterprise association) for
33 programs in job training, job enrichment, and basic skill development
34 that are designed to benefit residents and employers in the enterprise
35 zone or other purposes specified in subsection (b)(2), except that where
36 reference is made in subsection (b)(2) to allocation area it shall refer
37 for purposes of payments from the special zone fund only to that part
38 of the allocation area that is also located in the enterprise zone. Those
39 programs shall reserve at least one-half (1/2) of their enrollment in any
40 session for residents of the enterprise zone.

41 (h) The state board of accounts and department of local government
42 finance shall make the rules and prescribe the forms and procedures

1 that they consider expedient for the implementation of this chapter.
 2 After each general reassessment under IC 6-1.1-4, the department of
 3 local government finance shall adjust the base assessed value one (1)
 4 time to neutralize any effect of the general reassessment on the
 5 property tax proceeds allocated to the redevelopment district under this
 6 section. After each annual adjustment under IC 6-1.1-4-4.5, the
 7 department of local government finance shall adjust the base assessed
 8 value one (1) time to neutralize any effect of the annual adjustment on
 9 the property tax proceeds allocated to the redevelopment district under
 10 this section. However, the adjustments under this subsection may not
 11 include the effect of property tax abatements under IC 6-1.1-12.1, and
 12 these adjustments may not produce less property tax proceeds allocable
 13 to the redevelopment district under subsection (b)(2) than would
 14 otherwise have been received if the general reassessment or annual
 15 adjustment had not occurred. The department of local government
 16 finance may prescribe procedures for county and township officials to
 17 follow to assist the department in making the adjustments.

18 (i) The allocation deadline referred to in subsection (b) is
 19 determined in the following manner:

20 (1) The initial allocation deadline is December 31, 2011.

21 (2) Subject to subdivision (3), the initial allocation deadline and
 22 subsequent allocation deadlines are automatically extended in
 23 increments of five (5) years, so that allocation deadlines
 24 subsequent to the initial allocation deadline fall on December 31,
 25 2016, and December 31 of each fifth year thereafter.

26 (3) At least one (1) year before the date of an allocation deadline
 27 determined under subdivision (2), the general assembly may enact
 28 a law that:

29 (A) terminates the automatic extension of allocation deadlines
 30 under subdivision (2); and

31 (B) specifically designates a particular date as the final
 32 allocation deadline.

33 SECTION 720. IC 36-7-14-41 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 41. (a) The commission
 35 may, by following the procedures set forth in sections 15 through 17 of
 36 this chapter, approve a plan for and determine that a geographic area
 37 in the redevelopment district is an economic development area.
 38 Designation of an economic development area is subject to judicial
 39 review in the manner prescribed in section 18 of this chapter.

40 (b) The commission may determine that a geographic area is an
 41 economic development area if it finds that:

42 (1) the plan for the economic development area:

- 1 (A) promotes significant opportunities for the gainful
2 employment of its citizens;
- 3 (B) attracts a major new business enterprise to the unit;
- 4 (C) retains or expands a significant business enterprise
5 existing in the boundaries of the unit; or
- 6 (D) meets other purposes of this section and sections 2.5 and
7 43 of this chapter;
- 8 (2) the plan for the economic development area cannot be
9 achieved by regulatory processes or by the ordinary operation of
10 private enterprise without resort to the powers allowed under this
11 section and sections 2.5 and 43 of this chapter because of:
- 12 (A) lack of local public improvement;
- 13 (B) existence of improvements or conditions that lower the
14 value of the land below that of nearby land;
- 15 (C) multiple ownership of land; or
- 16 (D) other similar conditions;
- 17 (3) the public health and welfare will be benefited by
18 accomplishment of the plan for the economic development area;
- 19 (4) the accomplishment of the plan for the economic development
20 area will be a public utility and benefit as measured by:
- 21 (A) the attraction or retention of permanent jobs;
- 22 (B) an increase in the property tax base;
- 23 (C) improved diversity of the economic base; or
- 24 (D) other similar public benefits; and
- 25 (5) the plan for the economic development area conforms to other
26 development and redevelopment plans for the unit.
- 27 (c) The determination that a geographic area is an economic
28 development area must be approved by the unit's legislative body. The
29 approval may be given either before or after judicial review is
30 requested. The requirement that the unit's legislative body approve
31 economic development areas does not prevent the commission from
32 amending the plan for the economic development area. However, the
33 enlargement of any boundary in the economic development area must
34 be approved by the unit's legislative body, **and a boundary may not**
35 **be enlarged unless:**
- 36 **(1) the existing area does not generate sufficient revenue to**
37 **meet the financial obligations of the original project; or**
- 38 **(2) the Indiana economic development corporation has, in the**
39 **manner provided by section 15(f) of this chapter, made a**
40 **finding approving the enlargement of the boundary.**
- 41 SECTION 721. IC 36-7-14-43, AS AMENDED BY P.L.185-2005,
42 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

1 JULY 1, 2008]: Sec. 43. (a) All of the rights, powers, privileges, and
 2 immunities that may be exercised by the commission in a
 3 redevelopment project area or urban renewal area may be exercised by
 4 the commission in an economic development area, subject to the
 5 following:

6 (1) The content and manner of exercise of these rights, powers,
 7 privileges, and immunities shall be determined by the purposes
 8 and nature of an economic development area.

9 (2) Real property (or interests in real property) relative to which
 10 action is taken in an economic development area is not required
 11 to meet the conditions described in IC 36-7-1-3.

12 (3) The special tax levied in accordance with section 27 of this
 13 chapter may be used to carry out activities under this chapter in
 14 economic development areas.

15 (4) Bonds may be issued in accordance with section 25.1 of this
 16 chapter to defray expenses of carrying out activities under this
 17 chapter in economic development areas **if no other revenue**
 18 **sources are available for this purpose.**

19 (5) The tax exemptions set forth in section 37 of this chapter are
 20 applicable in economic development areas.

21 (6) An economic development area may be an allocation area for
 22 the purposes of distribution and allocation of property taxes.

23 (7) The commission may not use its power of eminent domain
 24 under section 20 of this chapter to carry out activities under this
 25 chapter in an economic development area.

26 (b) The content and manner of discharge of duties set forth in
 27 section 11 of this chapter shall be determined by the purposes and
 28 nature of an economic development area.

29 SECTION 722. IC 36-7-14-48, AS AMENDED BY P.L.219-2007,
 30 SECTION 126, IS AMENDED TO READ AS FOLLOWS
 31 [EFFECTIVE JULY 1, 2008]: Sec. 48. (a) Notwithstanding section
 32 39(a) of this chapter, with respect to the allocation and distribution of
 33 property taxes for the accomplishment of a program adopted under
 34 section 45 of this chapter, "base assessed value" means the net assessed
 35 value of all of the property, other than personal property, as finally
 36 determined for the assessment date immediately preceding the effective
 37 date of the allocation provision, as adjusted under section 39(h) of this
 38 chapter.

39 (b) The allocation fund established under section 39(b) of this
 40 chapter for the allocation area for a program adopted under section 45
 41 of this chapter may be used only for purposes related to the
 42 accomplishment of the program, including the following:

- 1 (1) The construction, rehabilitation, or repair of residential units
2 within the allocation area.
- 3 (2) The construction, reconstruction, or repair of any
4 infrastructure (including streets, sidewalks, and sewers) within or
5 serving the allocation area.
- 6 (3) The acquisition of real property and interests in real property
7 within the allocation area.
- 8 (4) The demolition of real property within the allocation area.
- 9 (5) The provision of financial assistance to enable individuals and
10 families to purchase or lease residential units within the allocation
11 area. However, financial assistance may be provided only to those
12 individuals and families whose income is at or below the county's
13 median income for individuals and families, respectively.
- 14 (6) The provision of financial assistance to neighborhood
15 development corporations to permit them to provide financial
16 assistance for the purposes described in subdivision (5).
- 17 **(7) For property taxes first due and payable before January**
18 **1, 2009**, providing each taxpayer in the allocation area a credit for
19 property tax replacement as determined under subsections (c) and
20 (d). However, the commission may provide this credit only if the
21 municipal legislative body (in the case of a redevelopment
22 commission established by a municipality) or the county
23 executive (in the case of a redevelopment commission established
24 by a county) establishes the credit by ordinance adopted in the
25 year before the year in which the credit is provided.
- 26 (c) The maximum credit that may be provided under subsection
27 (b)(7) to a taxpayer in a taxing district that contains all or part of an
28 allocation area established for a program adopted under section 45 of
29 this chapter shall be determined as follows:
- 30 STEP ONE: Determine that part of the sum of the amounts
31 described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2)
32 through IC 6-1.1-21-2(g)(5) that is attributable to the taxing
33 district.
- 34 STEP TWO: Divide:
- 35 (A) that part of each county's eligible property tax replacement
36 amount (as defined in IC 6-1.1-21-2) for that year as
37 determined under IC 6-1.1-21-4(a)(1) that is attributable to the
38 taxing district; by
- 39 (B) the amount determined under STEP ONE.
- 40 STEP THREE: Multiply:
- 41 (A) the STEP TWO quotient; by
- 42 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in

1 the taxing district allocated to the allocation fund, including
2 the amount that would have been allocated but for the credit.

3 (d) The commission may determine to grant to taxpayers in an
4 allocation area from its allocation fund a credit under this section, as
5 calculated under subsection (c). Except as provided in subsection (g),
6 one-half (1/2) of the credit shall be applied to each installment of taxes
7 (as defined in IC 6-1.1-21-2) that under IC 6-1.1-22-9 are due and
8 payable in a year. The commission must provide for the credit annually
9 by a resolution and must find in the resolution the following:

10 (1) That the money to be collected and deposited in the allocation
11 fund, based upon historical collection rates, after granting the
12 credit will equal the amounts payable for contractual obligations
13 from the fund, plus ten percent (10%) of those amounts.

14 (2) If bonds payable from the fund are outstanding, that there is
15 a debt service reserve for the bonds that at least equals the amount
16 of the credit to be granted.

17 (3) If bonds of a lessor under section 25.2 of this chapter or under
18 IC 36-1-10 are outstanding and if lease rentals are payable from
19 the fund, that there is a debt service reserve for those bonds that
20 at least equals the amount of the credit to be granted.

21 If the tax increment is insufficient to grant the credit in full, the
22 commission may grant the credit in part, prorated among all taxpayers.

23 (e) Notwithstanding section 39(b) of this chapter, the allocation
24 fund established under section 39(b) of this chapter for the allocation
25 area for a program adopted under section 45 of this chapter may only
26 be used to do one (1) or more of the following:

27 (1) Accomplish one (1) or more of the actions set forth in section
28 39(b)(2)(A) through 39(b)(2)(H) and 39(b)(2)(J) of this chapter
29 for property that is residential in nature.

30 (2) Reimburse the county or municipality for expenditures made
31 by the county or municipality in order to accomplish the housing
32 program in that allocation area.

33 The allocation fund may not be used for operating expenses of the
34 commission.

35 (f) Notwithstanding section 39(b) of this chapter, the commission
36 shall, relative to the allocation fund established under section 39(b) of
37 this chapter for an allocation area for a program adopted under section
38 45 of this chapter, do the following before July 15 of each year:

39 (1) Determine the amount, if any, by which ~~property taxes payable~~
40 ~~to the allocation fund in the following year~~ **the assessed value of**
41 **the taxable property in the allocation area for the most recent**
42 **assessment date minus the base assessed value, when**

1 **multiplied by the estimated tax rate of the allocation area, will**
 2 **exceed the amount of assessed value needed to produce the**
 3 **property taxes necessary:**

4 (A) to make, when due, principal and interest payments on
 5 bonds described in section 39(b)(2) of this chapter;

6 (B) to pay the amount necessary for other purposes described
 7 in section 39(b)(2) of this chapter; and

8 (C) to reimburse the county or municipality for anticipated
 9 expenditures described in subsection (e)(2).

10 (2) ~~Notify~~ **Provide a written notice to the county auditor, of the**
 11 **fiscal body of the county or municipality that established the**
 12 **department of redevelopment, and the officers who are**
 13 **authorized to fix budgets, tax rates, and tax levies under**
 14 **IC 6-1.1-17-5 for each of the other taxing units that is wholly**
 15 **or partly located within the allocation area. The notice must:**

16 (A) **state** the amount, if any, of excess property taxes that the
 17 commission has determined may be paid to the respective
 18 taxing units in the manner prescribed in section 39(b)(1) of
 19 this chapter; **or**

20 (B) **state that the commission has determined that there is**
 21 **no excess assessed value that may be allocated to the**
 22 **respective taxing units in the manner prescribed in**
 23 **subdivision (1).**

24 **The county auditor shall allocate to the respective taxing units**
 25 **the amount, if any, of excess assessed value determined by the**
 26 **commission.**

27 (g) This subsection applies to an allocation area only to the extent
 28 that the net assessed value of property that is assessed as residential
 29 property under the rules of the department of local government finance
 30 is not included in the base assessed value. If property tax installments
 31 with respect to a homestead (as defined in IC 6-1.1-20.9-1) are due in
 32 installments established by the department of local government finance
 33 under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an
 34 allocation area is entitled to an additional credit under subsection (d)
 35 for the taxes (as defined in IC 6-1.1-21-2) due in installments. The
 36 credit shall be applied in the same proportion to each installment of
 37 taxes (as defined in IC 6-1.1-21-2).

38 SECTION 723. IC 36-7-14.5-12.5, AS AMENDED BY
 39 P.L.219-2007, SECTION 127, IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 12.5. (a) This section
 41 applies only to an authority in a county having a United States
 42 government military base that is scheduled for closing or is completely

1 or partially inactive or closed.

2 (b) In order to accomplish the purposes set forth in section 11 of this
3 chapter, an authority may create an economic development area:

4 (1) by following the procedures set forth in IC 36-7-14-41 for the
5 establishment of an economic development area by a
6 redevelopment commission; and

7 (2) with the same effect as if the economic development area was
8 created by a redevelopment commission.

9 The area established under this section shall be established only in the
10 area where a United States government military base that is scheduled
11 for closing or is completely or partially inactive or closed is or was
12 located.

13 (c) In order to accomplish the purposes set forth in section 11 of this
14 chapter, an authority may do the following in a manner that serves an
15 economic development area created under this section:

16 (1) Acquire by purchase, exchange, gift, grant, condemnation, or
17 lease, or any combination of methods, any personal property or
18 interest in real property needed for the redevelopment of
19 economic development areas located within the corporate
20 boundaries of the unit.

21 (2) Hold, use, sell (by conveyance by deed, land sale contract, or
22 other instrument), exchange, lease, rent, or otherwise dispose of
23 property acquired for use in the redevelopment of economic
24 development areas on the terms and conditions that the authority
25 considers best for the unit and the unit's inhabitants.

26 (3) Sell, lease, or grant interests in all or part of the real property
27 acquired for redevelopment purposes to any other department of
28 the unit or to any other governmental agency for public ways,
29 levees, sewerage, parks, playgrounds, schools, and other public
30 purposes on any terms that may be agreed on.

31 (4) Clear real property acquired for redevelopment purposes.

32 (5) Repair and maintain structures acquired for redevelopment
33 purposes.

34 (6) Remodel, rebuild, enlarge, or make major structural
35 improvements on structures acquired for redevelopment purposes.

36 (7) Survey or examine any land to determine whether the land
37 should be included within an economic development area to be
38 acquired for redevelopment purposes and to determine the value
39 of that land.

40 (8) Appear before any other department or agency of the unit, or
41 before any other governmental agency in respect to any matter
42 affecting:

- 1 (A) real property acquired or being acquired for
2 redevelopment purposes; or
3 (B) any economic development area within the jurisdiction of
4 the authority.
- 5 (9) Institute or defend in the name of the unit any civil action, but
6 all actions against the authority must be brought in the circuit or
7 superior court of the county where the authority is located.
- 8 (10) Use any legal or equitable remedy that is necessary or
9 considered proper to protect and enforce the rights of and perform
10 the duties of the authority.
- 11 (11) Exercise the power of eminent domain in the name of and
12 within the corporate boundaries of the unit subject to the same
13 conditions and procedures that apply to the exercise of the power
14 of eminent domain by a redevelopment commission under
15 IC 36-7-14.
- 16 (12) Appoint an executive director, appraisers, real estate experts,
17 engineers, architects, surveyors, and attorneys.
- 18 (13) Appoint clerks, guards, laborers, and other employees the
19 authority considers advisable, except that those appointments
20 must be made in accordance with the merit system of the unit if
21 such a system exists.
- 22 (14) Prescribe the duties and regulate the compensation of
23 employees of the authority.
- 24 (15) Provide a pension and retirement system for employees of
25 the authority by using the public employees' retirement fund or a
26 retirement plan approved by the United States Department of
27 Housing and Urban Development.
- 28 (16) Discharge and appoint successors to employees of the
29 authority subject to subdivision (13).
- 30 (17) Rent offices for use of the department or authority, or accept
31 the use of offices furnished by the unit.
- 32 (18) Equip the offices of the authority with the necessary
33 furniture, furnishings, equipment, records, and supplies.
- 34 (19) Design, order, contract for, and construct, reconstruct,
35 improve, or renovate the following:
- 36 (A) Any local public improvement or structure that is
37 necessary for redevelopment purposes or economic
38 development within the corporate boundaries of the unit.
- 39 (B) Any structure that enhances development or economic
40 development.
- 41 (20) Contract for the construction, extension, or improvement of
42 pedestrian skyways (as defined in IC 36-7-14-12.2(c)).

- 1 (21) Accept loans, grants, and other forms of financial assistance
2 from, or contract with, the federal government, the state
3 government, a municipal corporation, a special taxing district, a
4 foundation, or any other source.
- 5 (22) Make and enter into all contracts and agreements necessary
6 or incidental to the performance of the duties of the authority and
7 the execution of the powers of the authority under this chapter.
- 8 (23) Take any action necessary to implement the purpose of the
9 authority.
- 10 (24) Provide financial assistance, in the manner that best serves
11 the purposes set forth in section 11 of this chapter, including
12 grants and loans, to enable private enterprise to develop,
13 redevelop, and reuse military base property or otherwise enable
14 private enterprise to provide social and economic benefits to the
15 citizens of the unit.
- 16 (d) An authority may designate all or a portion of an economic
17 development area created under this section as an allocation area by
18 following the procedures set forth in IC 36-7-14-39 for the
19 establishment of an allocation area by a redevelopment commission.
20 The allocation provision may modify the definition of "property taxes"
21 under IC 36-7-14-39(a) to include taxes imposed under IC 6-1.1 on the
22 depreciable personal property located and taxable on the site of
23 operations of designated taxpayers in accordance with the procedures
24 applicable to a commission under IC 36-7-14-39.3. IC 36-7-14-39.3
25 applies to such a modification. An allocation area established by an
26 authority under this section is a special taxing district authorized by the
27 general assembly to enable the unit to provide special benefits to
28 taxpayers in the allocation area by promoting economic development
29 that is of public use and benefit. For allocation areas established for an
30 economic development area created under this section after June 30,
31 1997, and to the expanded portion of an allocation area for an
32 economic development area that was established before June 30, 1997,
33 and that is expanded under this section after June 30, 1997, the net
34 assessed value of property that is assessed as residential property under
35 the rules of the department of local government finance, as finally
36 determined for any assessment date, must be allocated. All of the
37 provisions of IC 36-7-14-39 ~~IC 36-7-14-39.1, and IC 36-7-14-39.5~~
38 apply to an allocation area created under this section, except that the
39 authority shall be vested with the rights and duties of a commission as
40 referenced in those sections, and except that, notwithstanding
41 IC 36-7-14-39(b)(2), property tax proceeds paid into the allocation
42 fund may be used by the authority only to do one (1) or more of the

1 following:

- 2 (1) Pay the principal of and interest and redemption premium on
 3 any obligations incurred by the special taxing district or any other
 4 entity for the purpose of financing or refinancing military base
 5 reuse activities in or serving or benefiting that allocation area.
- 6 (2) Establish, augment, or restore the debt service reserve for
 7 obligations payable solely or in part from allocated tax proceeds
 8 in that allocation area or from other revenues of the authority
 9 (including lease rental revenues).
- 10 (3) Make payments on leases payable solely or in part from
 11 allocated tax proceeds in that allocation area.
- 12 (4) Reimburse any other governmental body for expenditures
 13 made by it for local public improvements or structures in or
 14 serving or benefiting that allocation area.
- 15 (5) **For property taxes first due and payable before 2009**, pay
 16 all or a portion of a property tax replacement credit to taxpayers
 17 in an allocation area as determined by the authority. This credit
 18 equals the amount determined under the following STEPS for
 19 each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that
 20 contains all or part of the allocation area:
- 21 STEP ONE: Determine that part of the sum of the amounts
 22 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
 23 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
 24 IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.
- 25 STEP TWO: Divide:
- 26 (A) that part of each county's eligible property tax
 27 replacement amount (as defined in IC 6-1.1-21-2) for that
 28 year as determined under IC 6-1.1-21-4 that is attributable
 29 to the taxing district; by
- 30 (B) the STEP ONE sum.
- 31 STEP THREE: Multiply:
- 32 (A) the STEP TWO quotient; by
- 33 (B) the total amount of the taxpayer's taxes (as defined in
 34 IC 6-1.1-21-2) levied in the taxing district that have been
 35 allocated during that year to an allocation fund under this
 36 section.
- 37 If not all the taxpayers in an allocation area receive the credit in
 38 full, each taxpayer in the allocation area is entitled to receive the
 39 same proportion of the credit. A taxpayer may not receive a credit
 40 under this section and a credit under IC 36-7-14-39.5 (**before its**
 41 **repeal**) in the same year.
- 42 (6) Pay expenses incurred by the authority for local public

1 improvements or structures that are in the allocation area or
 2 serving or benefiting the allocation area.

3 (7) Reimburse public and private entities for expenses incurred in
 4 training employees of industrial facilities that are located:

5 (A) in the allocation area; and

6 (B) on a parcel of real property that has been classified as
 7 industrial property under the rules of the department of local
 8 government finance.

9 However, the total amount of money spent for this purpose in any
 10 year may not exceed the total amount of money in the allocation
 11 fund that is attributable to property taxes paid by the industrial
 12 facilities described in clause (B). The reimbursements under this
 13 subdivision must be made within three (3) years after the date on
 14 which the investments that are the basis for the increment
 15 financing are made. The allocation fund may not be used for
 16 operating expenses of the authority.

17 (e) In addition to other methods of raising money for property
 18 acquisition, redevelopment, or economic development activities in or
 19 directly serving or benefitting an economic development area created
 20 by an authority under this section, and in anticipation of the taxes
 21 allocated under subsection (d), other revenues of the authority, or any
 22 combination of these sources, the authority may, by resolution, issue
 23 the bonds of the special taxing district in the name of the unit. Bonds
 24 issued under this section may be issued in any amount without
 25 limitation. The following apply if such a resolution is adopted:

26 (1) The authority shall certify a copy of the resolution authorizing
 27 the bonds to the municipal or county fiscal officer, who shall then
 28 prepare the bonds. The seal of the unit must be impressed on the
 29 bonds, or a facsimile of the seal must be printed on the bonds.

30 (2) The bonds must be executed by the appropriate officer of the
 31 unit and attested by the unit's fiscal officer.

32 (3) The bonds are exempt from taxation for all purposes.

33 (4) Bonds issued under this section may be sold at public sale in
 34 accordance with IC 5-1-11 or at a negotiated sale.

35 (5) The bonds are not a corporate obligation of the unit but are an
 36 indebtedness of the taxing district. The bonds and interest are
 37 payable, as set forth in the bond resolution of the authority:

38 (A) from the tax proceeds allocated under subsection (d);

39 (B) from other revenues available to the authority; or

40 (C) from a combination of the methods stated in clauses (A)
 41 and (B).

42 (6) Proceeds from the sale of bonds may be used to pay the cost

1 of interest on the bonds for a period not to exceed five (5) years
2 from the date of issuance.

3 (7) Laws relating to the filing of petitions requesting the issuance
4 of bonds and the right of taxpayers and voters to remonstrate
5 against the issuance of bonds ~~do not~~ **under IC 6-1.1-20-3.1 and**
6 **IC 6-1.1-20-3.2 or the right of voters to vote on the proposed**
7 **issuance of bonds under IC 6-1.1-20-3.5 and IC 6-1.1-20-3.6**
8 apply to bonds issued under this section. **However, this**
9 **subdivision does not apply to bonds that are payable solely**
10 **from revenues of the authority described in subdivision (5)(B),**
11 **regardless of their date of issuance.**

12 (8) If a debt service reserve is created from the proceeds of bonds,
13 the debt service reserve may be used to pay principal and interest
14 on the bonds as provided in the bond resolution.

15 (9) If bonds are issued under this chapter that are payable solely
16 or in part from revenues to the authority from a project or
17 projects, the authority may adopt a resolution or trust indenture or
18 enter into covenants as is customary in the issuance of revenue
19 bonds. The resolution or trust indenture may pledge or assign the
20 revenues from the project or projects. The resolution or trust
21 indenture may also contain any provisions for protecting and
22 enforcing the rights and remedies of the bond owners as may be
23 reasonable and proper and not in violation of law, including
24 covenants setting forth the duties of the authority. The authority
25 may establish fees and charges for the use of any project and
26 covenant with the owners of any bonds to set those fees and
27 charges at a rate sufficient to protect the interest of the owners of
28 the bonds. Any revenue bonds issued by the authority that are
29 payable solely from revenues of the authority shall contain a
30 statement to that effect in the form of bond.

31 (f) Notwithstanding section 8(a) of this chapter, an ordinance
32 adopted under section 11 of this chapter may provide, or be amended
33 to provide, that the board of directors of the authority shall be
34 composed of not fewer than three (3) nor more than eleven (11)
35 members, who must be residents of the unit appointed by the executive
36 of the unit.

37 (g) The acquisition of real and personal property by an authority
38 under this section is not subject to the provisions of IC 5-22,
39 IC 36-1-10.5, IC 36-7-14-19, or any other statutes governing the
40 purchase of property by public bodies or their agencies.

41 (h) An authority may negotiate for the sale, lease, or other
42 disposition of real and personal property without complying with the

1 provisions of IC 5-22-22, IC 36-1-11, IC 36-7-14-22, or any other
2 statute governing the disposition of public property.

3 (i) Notwithstanding any other law, utility services provided within
4 an economic development area established under this section are
5 subject to regulation by the appropriate regulatory agencies unless the
6 utility service is provided by a utility that provides utility service solely
7 within the geographic boundaries of an existing or a closed military
8 installation, in which case the utility service is not subject to regulation
9 for purposes of rate making, regulation, service delivery, or issuance of
10 bonds or other forms of indebtedness. However, this exemption from
11 regulation does not apply to utility service if the service is generated,
12 treated, or produced outside the boundaries of the existing or closed
13 military installation.

14 SECTION 724. IC 36-7-15.1-5 IS AMENDED TO READ AS
15 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. A member of the
16 commission **or a nonvoting adviser appointed under IC 36-7-4-207**
17 may not have a pecuniary interest in any contract, employment,
18 purchase, or sale made under this chapter. However, any property
19 required for redevelopment purposes in which a member **or nonvoting**
20 **adviser** has a pecuniary interest may be acquired but only by gift or
21 condemnation.

22 SECTION 725. IC 36-7-15.1-7, AS AMENDED BY P.L.221-2007,
23 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 JULY 1, 2008]: Sec. 7. (a) In carrying out its duties and purposes under
25 this chapter, the commission may do the following:

26 (1) Acquire by purchase, exchange, gift, grant, lease, or
27 condemnation, or any combination of methods, any real or
28 personal property or interest in property needed for the
29 redevelopment of areas needing redevelopment that are located
30 within the redevelopment district.

31 (2) Hold, use, sell (by conveyance by deed, land sale contract, or
32 other instrument), exchange, lease, rent, invest in, or otherwise
33 dispose of, through any combination of methods, property
34 acquired for use in the redevelopment of areas needing
35 redevelopment on the terms and conditions that the commission
36 considers best for the city and its inhabitants.

37 (3) Acquire from and sell, lease, or grant interests in all or part of
38 the real property acquired for redevelopment purposes to any
39 other department of the city, or to any other governmental agency,
40 for public ways, levees, sewerage, parks, playgrounds, schools,
41 and other public purposes, on any terms that may be agreed upon.

42 (4) Clear real property acquired for redevelopment purposes.

- 1 (5) Enter on or into, inspect, investigate, and assess real property
2 and structures acquired or to be acquired for redevelopment
3 purposes to determine the existence, source, nature, and extent of
4 any environmental contamination, including the following:
5 (A) Hazardous substances.
6 (B) Petroleum.
7 (C) Other pollutants.
- 8 (6) Remediate environmental contamination, including the
9 following, found on any real property or structures acquired for
10 redevelopment purposes:
11 (A) Hazardous substances.
12 (B) Petroleum.
13 (C) Other pollutants.
- 14 (7) Repair and maintain structures acquired or to be acquired for
15 redevelopment purposes.
- 16 (8) Enter upon, survey, or examine any land, to determine whether
17 it should be included within an area needing redevelopment to be
18 acquired for redevelopment purposes, and determine the value of
19 that land.
- 20 (9) Appear before any other department or agency of the city, or
21 before any other governmental agency in respect to any matter
22 affecting:
23 (A) real property acquired or being acquired for
24 redevelopment purposes; or
25 (B) any area needing redevelopment within the jurisdiction of
26 the commission.
- 27 (10) **Subject to section 13 of this chapter**, exercise the power of
28 eminent domain in the name of the city, within the redevelopment
29 district, in the manner prescribed by this chapter.
- 30 (11) Establish a uniform fee schedule whenever appropriate for
31 the performance of governmental assistance, or for providing
32 materials and supplies to private persons in project or program
33 related activities.
- 34 (12) Expend, on behalf of the redevelopment district, all or any
35 part of the money available for the purposes of this chapter.
- 36 (13) Contract for the construction, extension, or improvement of
37 pedestrian skyways.
- 38 (14) Accept loans, grants, and other forms of financial assistance
39 from the federal government, the state government, a municipal
40 corporation, a special taxing district, a foundation, or any other
41 source.
- 42 (15) Provide financial assistance (including grants and loans) to

1 enable individuals and families to purchase or lease residential
 2 units within the district. However, financial assistance may be
 3 provided only to those individuals and families whose income is
 4 at or below the county's median income for individuals and
 5 families, respectively.

6 (16) Provide financial assistance (including grants and loans) to
 7 neighborhood development corporations to permit them to:

8 (A) provide financial assistance for the purposes described in
 9 subdivision (15); or

10 (B) construct, rehabilitate, or repair commercial property
 11 within the district.

12 (17) Require as a condition of financial assistance to the owner of
 13 a multiunit residential structure that any of the units leased by the
 14 owner must be leased:

15 (A) for a period to be determined by the commission, which
 16 may not be less than five (5) years;

17 (B) to families whose income does not exceed eighty percent
 18 (80%) of the county's median income for families; and

19 (C) at an affordable rate.

20 Conditions imposed by the commission under this subdivision
 21 remain in force throughout the period determined under clause
 22 (A), even if the owner sells, leases, or conveys the property. The
 23 subsequent owner or lessee is bound by the conditions for the
 24 remainder of the period.

25 (18) Provide programs in job training, job enrichment, and basic
 26 skill development for residents of an enterprise zone.

27 (19) Provide loans and grants for the purpose of stimulating
 28 business activity in an enterprise zone or providing employment
 29 for residents of an enterprise zone.

30 (20) Contract for the construction, extension, or improvement of:

31 (A) public ways, sidewalks, sewers, waterlines, parking
 32 facilities, park or recreational areas, or other local public
 33 improvements (as defined in IC 36-7-15.3-6) or structures that
 34 are necessary for redevelopment of areas needing
 35 redevelopment or economic development within the
 36 redevelopment district; or

37 (B) any structure that enhances development or economic
 38 development.

39 (b) In addition to its powers under subsection (a), the commission
 40 may plan and undertake, alone or in cooperation with other agencies,
 41 projects for the redevelopment of, rehabilitating, preventing the spread
 42 of, or eliminating slums or areas needing redevelopment, both

- 1 residential and nonresidential, which projects may include any of the
 2 following:
- 3 (1) The repair or rehabilitation of buildings or other
 4 improvements by the commission, owners, or tenants.
 - 5 (2) The acquisition of real property.
 - 6 (3) Either of the following with respect to environmental
 7 contamination on real property:
 - 8 (A) Investigation.
 - 9 (B) Remediation.
 - 10 (4) The demolition and removal of buildings or improvements on
 11 buildings acquired by the commission where necessary for any of
 12 the following:
 - 13 (A) To eliminate unhealthful, unsanitary, or unsafe conditions.
 - 14 (B) To mitigate or eliminate environmental contamination.
 - 15 (C) To lessen density.
 - 16 (D) To reduce traffic hazards.
 - 17 (E) To eliminate obsolete or other uses detrimental to public
 18 welfare.
 - 19 (F) To otherwise remove or prevent the conditions described
 20 in IC 36-7-1-3.
 - 21 (G) To provide land for needed public facilities.
 - 22 (5) The preparation of sites and the construction of improvements
 23 (such as public ways and utility connections) to facilitate the sale
 24 or lease of property.
 - 25 (6) The construction of buildings or facilities for residential,
 26 commercial, industrial, public, or other uses.
 - 27 (7) The disposition in accordance with this chapter, for uses in
 28 accordance with the plans for the projects, of any property
 29 acquired in connection with the projects.
- 30 (c) The commission may use its powers under this chapter relative
 31 to real property and interests in real property obtained by voluntary sale
 32 or transfer, even though the real property and interests in real property
 33 are not located in a redevelopment or urban renewal project area
 34 established by the adoption and confirmation of a resolution under
 35 sections 8(c), 9, 10, and 11 of this chapter. In acquiring real property
 36 and interests in real property outside of a redevelopment or urban
 37 renewal project area, the commission shall comply with section 12(b)
 38 through 12(e) of this chapter. The commission shall hold, develop, use,
 39 and dispose of this real property and interests in real property
 40 substantially in accordance with section 15 of this chapter.
- 41 (d) As used in this section, "pedestrian skyway" means a pedestrian
 42 walkway within or outside of the public right-of-way and through and

1 above public or private property and buildings, including all structural
 2 supports required to connect skyways to buildings or buildings under
 3 construction. Pedestrian skyways constructed, extended, or improved
 4 over or through public or private property constitute public property
 5 and public improvements, constitute a public use and purpose, and do
 6 not require vacation of any public way or other property.

7 (e) All powers that may be exercised under this chapter by the
 8 commission may also be exercised by the commission in carrying out
 9 its duties and purposes under IC 36-7-15.3.

10 SECTION 726. IC 36-7-15.1-8, AS AMENDED BY P.L.185-2005,
 11 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2008]: Sec. 8. (a) Whenever the commission finds that:

13 (1) an area in the redevelopment district is an area needing
 14 redevelopment;

15 (2) the conditions described in IC 36-7-1-3 cannot be corrected in
 16 the area by regulatory processes or by the ordinary operations of
 17 private enterprise without resort to this chapter; and

18 (3) the public health and welfare will be benefited by:

19 (A) the acquisition and redevelopment of the area under this
 20 chapter **as a redevelopment project area or an urban**
 21 **renewal area; or**

22 (B) **the amendment of the resolution or plan, or both, for**
 23 **an existing redevelopment project area or urban renewal**
 24 **area; and**

25 (4) **in the case of an amendment to the resolution or plan for**
 26 **an existing redevelopment project area or urban renewal**
 27 **area:**

28 (A) **the amendment is reasonable and appropriate when**
 29 **considered in relation to the original resolution or plan and**
 30 **the purposes of this chapter;**

31 (B) **the resolution or plan, with the proposed amendment,**
 32 **conforms to the comprehensive plan for the unit; and**

33 (C) **except as provided by subsection (f), if the amendment**
 34 **enlarges the boundaries of the area, the existing area does**
 35 **not generate sufficient revenue to meet the financial**
 36 **obligations of the original project;**

37 the commission shall cause to be prepared a redevelopment or urban
 38 renewal plan.

39 (b) The redevelopment or urban renewal plan must include:

40 (1) maps, plats, or maps and plats, showing:

41 (A) ~~the boundaries of the area needing redevelopment;~~ **in**
 42 **which property would be acquired for, or otherwise**

- 1 **affected by, the establishment of a redevelopment project**
 2 **area or urban renewal area, or the amendment of the**
 3 **resolution or plan for an existing area;**
 4 **(B)** the location of the various parcels of property, public
 5 ways, and other features affecting the acquisition, clearance,
 6 replatting, replanning, rezoning, or redevelopment of the area
 7 or areas, indicating any parcels of property to be excluded
 8 from the acquisition **or otherwise excluded from the effects**
 9 **of the establishment of the redevelopment project area or**
 10 **the amendment of the resolution or plan for an existing**
 11 **area; and**
 12 ~~(B)~~ **(C)** the parts of the area acquired that are to be devoted to
 13 public ways, levees, sewerage, parks, playgrounds, and other
 14 public purposes;
 15 (2) lists of the owners of the various parcels of property proposed
 16 to be acquired **for, or otherwise affected by, the establishment**
 17 **of an area or the amendment of the resolution or plan for an**
 18 **existing area; and**
 19 (3) an estimate of the ~~cost of costs~~, **if any, to be incurred for the**
 20 **acquisition and redevelopment of property.**
- 21 **(c) This subsection applies to the initial establishment of a**
 22 **redevelopment project area or urban renewal area.** After
 23 completion of the data required by subsection (b), the commission shall
 24 adopt a resolution declaring that:
 25 (1) the area needing redevelopment is a detriment to the social or
 26 economic interests of the consolidated city and its inhabitants;
 27 (2) it will be of public utility and benefit to acquire the area and
 28 redevelop it under this chapter; and
 29 (3) the area is designated as a redevelopment project area for
 30 purposes of this chapter.
- 31 The resolution must state the general boundaries of the redevelopment
 32 project area and identify the interests in real or personal property, if
 33 any, that the department proposes to acquire in the area.
- 34 **(d) This subsection applies to the amendment of the resolution**
 35 **or plan for an existing redevelopment project area or urban**
 36 **renewal area. After completion of the data required by subsection**
 37 **(b), the redevelopment commission shall adopt a resolution**
 38 **declaring that:**
 39 **(1) except as provided by subsection (f), if the amendment**
 40 **enlarges the boundaries of the area, the existing area does not**
 41 **generate sufficient revenue to meet the financial obligations**
 42 **of the original project;**

1 **(2) it will be of public utility and benefit to amend the**
 2 **resolution or plan for the area; and**

3 **(3) any additional area to be acquired under the amendment**
 4 **is designated as part of the existing redevelopment project**
 5 **area or urban renewal area for purposes of this chapter.**

6 **The resolution must state the general boundaries of the**
 7 **redevelopment project area or urban renewal area, including any**
 8 **changes made to those boundaries by the amendment, and describe**
 9 **the activities that the department is permitted to take under the**
 10 **amendment, with any designated exceptions.**

11 ~~(d)~~ **(e)** For the purpose of adopting a resolution under subsection (c)
 12 **or (d), it is sufficient to describe the boundaries of the redevelopment**
 13 **project area by its location in relation to public ways or streams, or**
 14 **otherwise, as determined by the commission. Property proposed for**
 15 **acquisition may be described by street numbers or location.**

16 **(f) The commission is not required to make the finding and**
 17 **declaration described in subsections (a)(4)(C) and (d)(1)**
 18 **concerning the enlargement of the boundaries of an existing**
 19 **redevelopment project area or urban renewal area if, before the**
 20 **adoption of the resolution under subsection (d), the Indiana**
 21 **economic development corporation issues a finding approving the**
 22 **enlargement of the boundaries. Before issuing a finding under this**
 23 **subsection, the Indiana economic development corporation must**
 24 **consider whether the enlargement of the boundaries will:**

25 **(1) lead to increased investment in Indiana;**

26 **(2) foster job creation or job retention in Indiana;**

27 **(3) have a positive impact on the unit in which the area is**
 28 **located; or**

29 **(4) otherwise benefit the people of Indiana by increasing**
 30 **opportunities for employment in Indiana and strengthening**
 31 **the economy of Indiana.**

32 SECTION 727. IC 36-7-15.1-9, AS AMENDED BY P.L.185-2005,
 33 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2008]: Sec. 9. (a) After or concurrent with adoption of a
 35 resolution under section 8 of this chapter, the commission shall
 36 determine whether the resolution and the redevelopment plan conform
 37 to the comprehensive plan of development for the consolidated city and
 38 approve or disapprove the resolution and plan proposed. **If the**
 39 **commission approves the resolution and plan, it shall submit the**
 40 **resolution and plan to the legislative body of the consolidated city,**
 41 **which may approve or disapprove the resolution and plan.**

42 (b) In determining the location and extent of a redevelopment

1 project area proposed to be acquired for redevelopment, the
 2 commission shall give consideration to transitional and permanent
 3 provisions for adequate housing for the residents of the area who will
 4 be displaced by the redevelopment project.

5 SECTION 728. IC 36-7-15.1-10 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 10. (a) After approval
 7 **by the commission and the legislative body of the consolidated city**
 8 under section 9 of this chapter, the commission shall publish notice of
 9 the adoption and substance of the resolution in accordance with
 10 IC 5-3-1. The notice must:

11 (1) state that maps, plats, or maps and plats have been prepared
 12 and can be inspected at the office of the department; ~~The notice~~
 13 ~~must also and~~

14 (2) name a date when the commission will:

15 (A) receive and hear remonstrances and other testimony from
 16 persons interested in or affected by the proceeding pertaining
 17 to the proposed project **or other actions to be taken under**
 18 **the resolution;** and ~~will~~

19 (B) determine the public utility and benefit of the proposed
 20 project **or other actions.**

21 All persons affected in any manner by the hearing, including all
 22 taxpayers of the redevelopment district, shall be considered notified of
 23 the pendency of the hearing and of subsequent acts, hearings,
 24 adjournments, and orders of the commission by the notice given under
 25 this section.

26 (b) A copy of the notice of the hearing on the resolution shall be
 27 filed in the office of the commission, board of zoning appeals, works
 28 board, park board, and any other departments, bodies, or officers of the
 29 consolidated city having to do with planning, variances from zoning
 30 ordinances, land use, or the issuance of building permits. These
 31 agencies and officers shall take notice of the pendency of the hearing,
 32 and until the commission confirms, modifies and confirms, or rescinds
 33 the resolution, or the confirmation of the resolution is set aside on
 34 appeal, they may not, without approval of the commission:

35 (1) authorize any construction on property or sewers in the area
 36 described in the resolution, including substantial modifications,
 37 rebuilding, conversion, enlargement, additions, and major
 38 structural improvements; or

39 (2) take any action regarding the zoning or rezoning of property,
 40 or the opening, closing, or improvement of public ways in the area
 41 described in the resolution.

42 This subsection does not prohibit the granting of permits for ordinary

1 maintenance or minor remodeling, or for changes necessary for the
2 continued occupancy of buildings in the area.

3 (c) If the resolution to be considered at the hearing includes a
4 provision establishing or amending an allocation provision under
5 section 26 of this chapter, the commission shall file the following
6 information with each taxing unit that is wholly or partly located within
7 the allocation area:

8 (1) A copy of the notice required by subsection (a).

9 (2) A statement disclosing the impact of the allocation area,
10 including the following:

11 (A) The estimated economic benefits and costs incurred by the
12 allocation area, as measured by increased employment and
13 anticipated growth of real property assessed values.

14 (B) The anticipated impact on tax revenues of each taxing unit.

15 The commission shall file the information required by this subsection
16 with the officers of the taxing unit who are authorized to fix budgets,
17 tax rates, and tax levies under IC 6-1.1-17-5 at least ten (10) days
18 before the date of the hearing.

19 (d) At the hearing, which may be adjourned from time to time, the
20 commission shall hear all persons interested in the proceedings and
21 shall consider all written remonstrances and objections that have been
22 filed. After considering the evidence presented, the commission shall
23 take final action determining the public utility and benefit of the
24 proposed project **or other actions to be taken under the resolution**,
25 and confirming, modifying and confirming, or rescinding the
26 resolution. The final action taken by the commission shall be recorded
27 and is final and conclusive, except that an appeal may be taken under
28 section 11 of this chapter.

29 SECTION 729. IC 36-7-15.1-10.5, AS AMENDED BY
30 P.L.185-2005, SECTION 31, IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 10.5. ~~(a) The~~
32 ~~commission must conduct a public hearing before amending a~~
33 ~~resolution or plan for a redevelopment project area, an urban renewal~~
34 ~~project area, or an economic development area. The commission shall~~
35 ~~give notice of the hearing in accordance with IC 5-3-1. The notice~~
36 ~~must:~~

37 ~~(1) set forth the substance of the proposed amendment;~~

38 ~~(2) state the time and place where written remonstrances against~~
39 ~~the proposed amendment may be filed;~~

40 ~~(3) set forth the time and place of the hearing; and~~

41 ~~(4) state that the commission will hear any person who has filed~~
42 ~~a written remonstrance during the filing period set forth under~~

1 subdivision (2):

2 (b) For the purposes of this section, the consolidation of areas is not
3 considered the enlargement of the boundaries of an area.

4 (c) When the commission proposes to amend a resolution or plan,
5 the commission is not required to have evidence or make findings that
6 were required for the establishment of the original redevelopment
7 project area, urban renewal area, or economic development area.
8 However, the commission must make the following findings before
9 approving the amendment:

10 (1) The amendment is reasonable and appropriate when
11 considered in relation to the original resolution or plan and the
12 purposes of this chapter.

13 (2) The resolution or plan, with the proposed amendment,
14 conforms to the comprehensive plan for the county.

15 (d) (a) In addition to the requirements of subsection (a), **section 10**
16 **of this chapter**, if the resolution or plan **for an existing**
17 **redevelopment project area or urban renewal area** is proposed to
18 be amended in a way that changes:

19 (1) parts of the area that are to be devoted to a public way, levee,
20 sewerage, park, playground, or other public purpose;

21 (2) the proposed use of the land in the area; or

22 (3) requirements for rehabilitation, building requirements,
23 proposed zoning, maximum densities, or similar requirements;

24 the commission must, at least ten (10) days before the public hearing
25 **under section 10 of this chapter**, send the notice required by
26 **subsection (a) section 10 of this chapter** by first class mail to affected
27 neighborhood associations.

28 (e) (b) In addition to the requirements of subsection (a), **section 10**
29 **of this chapter**, if the resolution or plan **for an existing**
30 **redevelopment project area or urban renewal area** is proposed to
31 be amended in a way that:

32 (1) enlarges the boundaries of the area; **by not more than twenty**
33 **percent (20%) of the original area**; or

34 (2) adds one (1) or more parcels to the list of parcels to be
35 acquired;

36 the commission must, at least ten (10) days before the public hearing
37 **under section 10 of this chapter**, send the notice required by
38 **subsection (a) section 10 of this chapter** by first class mail to affected
39 neighborhood associations and to persons owning property that is in the
40 proposed enlargement of the area or that is proposed to be added to the
41 acquisition list. If the enlargement of an area is proposed, notice must
42 also be filed in accordance with section 10(b) of this chapter, and

1 agencies and officers may not take actions prohibited by section 10(b)
2 in the proposed enlarged area.

3 ~~(f)~~ Notwithstanding subsections (a) and (c), if the resolution or plan
4 is proposed to be amended in a way that enlarges the original
5 boundaries of the area by more than twenty percent (20%), the
6 commission must use the procedure provided for the original
7 establishment of areas and must comply with sections 8 through 10 of
8 this chapter.

9 ~~(g)~~ At the hearing on the amendments, the commission shall
10 consider written remonstrances that are filed. The action of the
11 commission on the amendment shall be recorded and is final and
12 conclusive, except that:

13 ~~(1)~~ the city-county legislative body must also approve the
14 enlargement of the boundaries of an economic development area;
15 and

16 ~~(2)~~ an appeal of the commission's action may be taken under
17 section 11 of this chapter.

18 ~~(h)~~ ~~(c)~~ The commission may require that neighborhood associations
19 register with the commission. The commission may adopt a rule that
20 requires that a neighborhood association encompass a part of the
21 geographic area included in or proposed to be included in a
22 redevelopment project area, urban renewal area, or economic
23 development area to qualify as an affected neighborhood association.

24 SECTION 730. IC 36-7-15.1-13, AS AMENDED BY P.L.185-2005,
25 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
26 JULY 1, 2008]: Sec. 13. (a) **Subject to the approval of the**
27 **city-county legislative body**, if the commission considers it necessary
28 to acquire real property in a redevelopment project area by the exercise
29 of the power of eminent domain, it shall adopt a resolution setting out
30 its determination to exercise that power and directing its attorney to file
31 a petition in the name of the city on behalf of the department in the
32 circuit or superior court of the county.

33 (b) Eminent domain proceedings under this section are governed by
34 IC 32-24.

35 SECTION 731. IC 36-7-15.1-16 IS AMENDED TO READ AS
36 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 16. (a) For the purpose
37 of raising money to carry out this chapter or IC 36-7-15.3, the
38 city-county legislative body ~~shall~~ **may** levy each year a special tax upon
39 all property in the redevelopment district. The tax so levied each year
40 shall be certified to the fiscal officers of the city and the county before
41 September 2 of each year. The tax shall be estimated and entered upon
42 the tax duplicates by the county auditor, and shall be collected and

1 enforced by the county treasurer in the same manner as state and
2 county taxes are estimated, entered, collected, and enforced.

3 (b) As the tax is collected by the county treasurer, it shall be
4 accumulated and kept in a separate fund to be known as the
5 redevelopment district fund and shall be expended and applied only for
6 the purposes of this chapter or IC 36-7-15.3.

7 (c) The amount of the special tax levy shall be based on the budget
8 of the department but may not exceed one and sixty-seven hundredths
9 cents (\$0.0167) on each one hundred dollars (\$100) of taxable
10 valuation in the redevelopment district, except as otherwise provided
11 in this chapter.

12 (d) The budgets and tax levies under this chapter are subject to
13 review and modification in the manner prescribed by IC 36-3-6.

14 SECTION 732. IC 36-7-15.1-17, AS AMENDED BY P.L.219-2007,
15 SECTION 128, IS AMENDED TO READ AS FOLLOWS
16 [EFFECTIVE JULY 1, 2008]: Sec. 17. (a) In addition to other methods
17 of raising money for property acquisition or redevelopment in a
18 redevelopment project area, and in anticipation of the special tax to be
19 levied under section 19 of this chapter, the taxes allocated under
20 section 26 of this chapter, or other revenues of the redevelopment
21 district, the commission may, by resolution, issue the bonds of the
22 redevelopment district in the name of the consolidated city and in
23 accordance with IC 36-3-5-8. The amount of the bonds may not exceed
24 the total, as estimated by the commission, of all expenses reasonably
25 incurred in connection with the acquisition and redevelopment of the
26 property, including:

27 (1) the total cost of all land, rights-of-way, and other property to
28 be acquired and redeveloped;

29 (2) all reasonable and necessary architectural, engineering, legal,
30 financing, accounting, advertising, bond discount, and
31 supervisory expenses related to the acquisition and redevelopment
32 of the property or the issuance of bonds;

33 (3) capitalized interest permitted in this chapter and a debt service
34 reserve for the bonds, to the extent that the redevelopment
35 commission determines that a reserve is reasonably required;

36 (4) the total cost of all clearing and construction work provided
37 for in the resolution; and

38 (5) expenses that the commission is required or permitted to pay
39 under IC 8-23-17.

40 (b) If the commission plans to acquire different parcels of land or let
41 different contracts for redevelopment work at approximately the same
42 time, whether under one (1) or more resolutions, the commission may

1 provide for the total cost in one (1) issue of bonds.

2 (c) The bonds must be dated as set forth in the bond resolution and
3 negotiable subject to the requirements of the bond resolution for the
4 registration of the bonds. The resolution authorizing the bonds must
5 state:

- 6 (1) the denominations of the bonds;
7 (2) the place or places at which the bonds are payable; and
8 (3) the term of the bonds, which may not exceed:
9 (A) fifty (50) years, **for bonds issued before July 1, 2008; or**
10 (B) **twenty-five (25) years, for bonds issued after June 30,**
11 **2008.**

12 The resolution may also state that the bonds are redeemable before
13 maturity with or without a premium, as determined by the commission.

14 (d) The commission shall certify a copy of the resolution authorizing
15 the bonds to the fiscal officer of the consolidated city, who shall then
16 prepare the bonds. The seal of the unit must be impressed on the bonds,
17 or a facsimile of the seal must be printed on the bonds.

18 (e) The bonds shall be executed by the city executive and attested
19 by the fiscal officer. The interest coupons, if any, shall be executed by
20 the facsimile signature of the fiscal officer.

21 (f) The bonds are exempt from taxation as provided by IC 6-8-5.

22 (g) The city fiscal officer shall sell the bonds according to law.
23 Notwithstanding IC 36-3-5-8, bonds payable solely or in part from tax
24 proceeds allocated under section 26(b)(2) of this chapter or other
25 revenues of the district may be sold at private negotiated sale and at a
26 price or prices not less than ninety-seven percent (97%) of the par
27 value.

28 (h) The bonds are not a corporate obligation of the city but are an
29 indebtedness of the redevelopment district. The bonds and interest are
30 payable:

- 31 (1) from a special tax levied upon all of the property in the
32 redevelopment district, as provided by section 19 of this chapter;
33 (2) from the tax proceeds allocated under section 26(b)(2) of this
34 chapter;
35 (3) from other revenues available to the commission; or
36 (4) from a combination of the methods stated in subdivisions (1)
37 through (3);

38 and from any revenues of the designated project. If the bonds are
39 payable solely from the tax proceeds allocated under section 26(b)(2)
40 of this chapter, other revenues of the redevelopment commission, or
41 any combination of these sources, they may be issued in any amount
42 without limitation.

1 (i) Proceeds from the sale of the bonds may be used to pay the cost
 2 of interest on the bonds for a period not to exceed five (5) years from
 3 the date of issue.

4 (j) ~~Notwithstanding~~ **As provided by** IC 36-3-5-8, the laws relating
 5 to the filing of petitions requesting the issuance of bonds and the right
 6 of taxpayers and voters to remonstrate against the issuance of bonds
 7 ~~applicable to bonds issued under this chapter do not under~~
 8 **IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2 or the right of voters to vote on**
 9 **the proposed issuance of bonds under IC 6-1.1-20-3.5 and**
 10 **IC 6-1.1-20-3.6 apply to bonds issued under this chapter. However,**
 11 **this subsection does not apply to bonds that are payable solely or in**
 12 **part from tax proceeds allocated under section 26(b)(2) of this chapter**
 13 **other revenues of the commission or any combination of these sources;**
 14 **described in subsection (h)(3).**

15 (k) If bonds are issued under this chapter that are payable solely or
 16 in part from revenues to the commission from a project or projects, the
 17 commission may adopt a resolution or trust indenture or enter into
 18 covenants as is customary in the issuance of revenue bonds. The
 19 resolution or trust indenture may pledge or assign the revenues from
 20 the project or projects, but may not convey or mortgage any project or
 21 parts of a project. The resolution or trust indenture may also contain
 22 any provisions for protecting and enforcing the rights and remedies of
 23 the bond owners as may be reasonable and proper and not in violation
 24 of law, including covenants setting forth the duties of the commission.
 25 The commission may establish fees and charges for the use of any
 26 project and covenant with the owners of any bonds to set those fees and
 27 charges at a rate sufficient to protect the interest of the owners of the
 28 bonds. Any revenue bonds issued by the commission that are payable
 29 solely from revenues of the commission must contain a statement to
 30 that effect in the form of bond.

31 SECTION 733. IC 36-7-15.1-17.1 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 17.1. (a) A commission
 33 may enter into a lease of any property that may be financed with the
 34 proceeds of bonds issued under this chapter with a lessor for a term not
 35 to exceed:

- 36 (1) fifty (50) years, **for a lease entered into before July 1, 2008;**
 37 **or**
 38 (2) **twenty-five (25) years, for a lease entered into after June**
 39 **30, 2008.**

40 The lease may provide for payments to be made by the commission
 41 from special benefits taxes levied under section 19 of this chapter,
 42 taxes allocated under section 26 of this chapter, any other revenue

1 available to the commission, or any combination of these sources.

2 (b) A lease may provide that payments by the commission to the
3 lessor are required only to the extent and only for the period that the
4 lessor is able to provide the leased facilities in accordance with the
5 lease. The terms of each lease must be based upon the value of the
6 facilities leased and may not create a debt of the unit or the district for
7 purposes of the Constitution of the State of Indiana.

8 (c) A lease may be entered into by the commission only after a
9 public hearing by the commission at which all interested parties are
10 given the opportunity to be heard. Notice of the hearing must be given
11 by publication in accordance with IC 5-3-1. After the public hearing,
12 the commission may adopt a resolution authorizing the execution of the
13 lease on behalf of the unit if it finds that the service to be provided
14 throughout the term of the lease will serve the public purpose of the
15 unit and is in the best interests of its residents. Any lease approved by
16 a resolution of the commission must be approved by an ordinance of
17 the fiscal body of the unit.

18 (d) Upon execution of a lease providing for payments by the
19 commission in whole or in part from the levy of special benefits taxes
20 under section 19 of this chapter and upon approval of the lease by the
21 fiscal body, the commission shall publish notice of the execution of the
22 lease and its approval in accordance with IC 5-3-1. Fifty (50) or more
23 taxpayers residing in the district who will be affected by the lease and
24 who may be of the opinion that no necessity exists for the execution of
25 the lease or that the payments provided for in the lease are not fair and
26 reasonable may file a petition in the office of the county auditor within
27 thirty (30) days after the publication of the notice of execution and
28 approval. The petition must set forth the petitioners' names, addresses,
29 and objections to the lease and the facts showing that the execution of
30 the lease is unnecessary or unwise or that the payments provided for in
31 the lease are not fair and reasonable, as the case may be. Upon the
32 filing of the petition, the county auditor shall immediately certify a
33 copy of it, together with such other data as may be necessary in order
34 to present the questions involved, to the department of local
35 government finance. Upon receipt of the certified petition and
36 information, the department of local government finance shall fix a
37 time and place for the hearing in the redevelopment district, which
38 must be not less than five (5) or more than thirty (30) days after the
39 time for the hearing is fixed. Notice of the hearing shall be given by the
40 department of local government finance to the members of the fiscal
41 body, to the commission, and to the first fifty (50) petitioners on the
42 petition by a letter signed by the commissioner or deputy commissioner

1 of the department and enclosed with fully prepaid postage sent to those
 2 persons at their usual place of residence, at least five (5) days before
 3 the date of the hearing. The decision of the department of local
 4 government finance on the appeal, upon the necessity for the execution
 5 of the lease and as to whether the payments under it are fair and
 6 reasonable, is final.

7 (e) A commission entering into a lease payable from allocated taxes
 8 under section 26 of this chapter or revenues or other available funds of
 9 the commission may:

10 (1) pledge the revenue to make payments under the lease pursuant
 11 to IC 5-1-14-4; and

12 (2) establish a special fund to make the payments.

13 Lease rentals may be limited to money in the special fund so that the
 14 obligations of the commission to make the lease rental payments are
 15 not considered a debt of the unit or the district for purposes of the
 16 Constitution of the State of Indiana.

17 (f) Except as provided in this section, no approvals of any
 18 governmental body or agency are required before the commission
 19 enters into a lease under this section.

20 (g) An action to contest the validity of the lease or to enjoin the
 21 performance of any of its terms and conditions must be brought within
 22 thirty (30) days after the publication of the notice of the execution and
 23 approval of the lease. However, if the lease is payable in whole or in
 24 part from tax levies and an appeal has been taken to the department of
 25 local government finance, an action to contest the validity or to enjoin
 26 performance must be brought within thirty (30) days after the decision
 27 of the department.

28 (h) If a commission exercises an option to buy a leased facility from
 29 a lessor, the commission may subsequently sell the leased facility,
 30 without regard to any other statute, to the lessor at the end of the lease
 31 term at a price set forth in the lease or at fair market value established
 32 at the time of the sale by the commission through auction, appraisal, or
 33 arms length negotiation. If the facility is sold at auction, after appraisal,
 34 or through negotiation, the commission shall conduct a hearing after
 35 public notice in accordance with IC 5-3-1 before the sale. Any action
 36 to contest the sale must be brought within fifteen (15) days after the
 37 hearing.

38 SECTION 734. IC 36-7-15.1-22.5, AS AMENDED BY
 39 P.L.163-2006, SECTION 21, IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 22.5. (a) **Subject to the**
 41 **approval of the county fiscal body**, the commission may acquire a
 42 parcel of real property by the exercise of eminent domain when the

1 following conditions exist:

2 (1) The real property meets at least one (1) of the conditions
3 described in IC 32-24-4.5-7(1).

4 (2) The real property is capable of being developed or
5 rehabilitated to provide affordable housing for low or moderate
6 income families or to provide other development that will benefit
7 or serve low or moderate income families.

8 (3) The real property suffers from one (1) or more of the
9 conditions listed in IC 36-7-1-3, resulting in a negative impact on
10 the use or value of the neighboring properties or other properties
11 in the community.

12 (b) The commission or its designated hearing examiner shall
13 conduct a public meeting to determine whether the conditions set forth
14 in subsection (a) exist relative to a parcel of real property. Each person
15 holding a fee or life estate interest of record in the property must be
16 given notice by first class mail of the time and date of the hearing at
17 least ten (10) days before the hearing, and is entitled to present
18 evidence and make arguments at the hearing.

19 (c) If the commission considers it necessary to acquire real property
20 under this section, it shall adopt a resolution setting out its
21 determination to exercise that power and directing its attorney to file
22 a petition in the name of the city on behalf of the department in the
23 circuit or superior court in the county.

24 (d) Eminent domain proceedings under this section are governed by
25 IC 32-24.

26 (e) The commission shall use real property acquired under this
27 section for one (1) of the following purposes:

28 (1) Sale in an urban homestead program under IC 36-7-17.

29 (2) Sale to a family whose income is at or below the county's
30 median income for families.

31 (3) Sale or grant to a neighborhood development corporation or
32 other nonprofit corporation, with a condition in the granting
33 clause of the deed requiring the nonprofit organization to lease or
34 sell the property to a family whose income is at or below the
35 county's median income for families or to cause development that
36 will serve or benefit families whose income is at or below the
37 county's median income for families. However, a nonprofit
38 organization is eligible for a sale or grant under this subdivision
39 only if the county fiscal body has determined that the nonprofit
40 organization meets the criteria established under subsection (f).

41 (4) Any other purpose appropriate under this chapter so long as
42 it will serve or benefit families whose income is at or below the

1 county's median income for families.

2 (f) The county fiscal body shall establish criteria for determining the
3 eligibility of neighborhood development corporations and other
4 nonprofit corporations for sales and grants of real property under
5 subsection (e)(3). A neighborhood development corporation or other
6 nonprofit corporation may apply to the county fiscal body for a
7 determination concerning the corporation's compliance with the criteria
8 established under this subsection.

9 (g) A neighborhood development corporation or nonprofit
10 corporation that receives property under this section must agree to
11 rehabilitate or otherwise develop the property in a manner that is
12 similar to and consistent with the use of the other properties in the area
13 served by the corporation.

14 SECTION 735. IC 36-7-15.1-24 IS AMENDED TO READ AS
15 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 24. (a) **Subject to the**
16 **approval of the legislative body of the consolidated city, and** in
17 order to:

- 18 (1) undertake survey and planning activities under this chapter;
- 19 (2) undertake and carry out any redevelopment project, urban
20 renewal project, economic development plan, or housing
21 program;
- 22 (3) pay principal and interest on any advances;
- 23 (4) pay or retire any bonds and interest on them; or
- 24 (5) refund loans previously made under this section;

25 the commission may apply for and accept advances, short term and
26 long term loans, grants, contributions, loan guarantees, and any other
27 form of financial assistance from the federal government, or from any
28 of its agencies. The commission may apply for and accept loans under
29 this section from sources other than the federal government or federal
30 agencies but only if the loans are unconditionally guaranteed by the
31 federal government or federal agencies. The commission may also
32 enter into and carry out contracts and agreements in connection with
33 that financial assistance upon the terms and conditions that the
34 commission considers reasonable and appropriate, as long as those
35 terms and conditions are not inconsistent with the purposes of this
36 chapter. The provisions of such a contract or agreement in regard to the
37 handling, deposit, and application of project funds, as well as all other
38 provisions, are valid and binding on the consolidated city or its
39 executive departments and officers, as well as the commission,
40 notwithstanding any other provision of this chapter.

41 (b) **Subject to the approval of the fiscal body of the consolidated**
42 **city,** the commission may issue and sell bonds, notes, or warrants:

- 1 (1) to the federal government to evidence short term or long term
 2 loans made under this section; or
 3 (2) to persons or entities other than the federal government to
 4 evidence short or long term loans made under this section that are
 5 unconditionally guaranteed by the federal government or federal
 6 agencies;
 7 without notice of sale being given or a public offering being made.

8 (c) Notwithstanding any other law, bonds, notes, or warrants issued
 9 by the commission under this section may:

- 10 (1) be in the amounts, form, or denomination;
 11 (2) be either coupon or registered;
 12 (3) carry conversion or other privileges;
 13 (4) have a rank or priority;
 14 (5) be of such description;
 15 (6) be secured (subject to other provisions of this section) in such
 16 manner;
 17 (7) bear interest at a rate or rates;
 18 (8) be payable as to both principal and interest in a medium of
 19 payment, at a time or times (which may be upon demand) and at
 20 a place or places;
 21 (9) be subject to terms of redemption (with or without premium);
 22 (10) contain or be subject to any covenants, conditions, and
 23 provisions; and
 24 (11) have any other characteristics;

25 that the commission considers reasonable and appropriate.

26 (d) Bonds, notes, or warrants issued under this section are not an
 27 indebtedness of the city or redevelopment district within the meaning
 28 of any constitutional or statutory limitation of indebtedness. The bonds,
 29 notes, or warrants are not payable from or secured by a levy of taxes,
 30 but are payable only from and secured only by income, funds, and
 31 properties of the project becoming available to the commission under
 32 this chapter or by grant funds from the federal government, as the
 33 commission specifies in the resolution authorizing their issuance.

34 (e) Bonds, notes, or warrants issued under this section are exempt
 35 from taxation as provided by IC 6-8-5.

36 (f) Bonds, notes, or warrants issued under this section shall be
 37 executed by the city executive and attested by the fiscal officer in the
 38 name of the "City of _____, Department of
 39 Metropolitan Development".

40 (g) Following the adoption of the resolution authorizing the issuance
 41 of bonds, notes, or warrants under this section, the commission shall
 42 certify a copy of that resolution to the officers of the city who have

1 duties with respect to bonds, notes, or warrants of the city. At the
2 proper time, the commission shall deliver to the officers the unexecuted
3 bonds, notes, or warrants prepared for execution in accordance with the
4 resolution.

5 (h) All bonds, notes, or warrants issued under this section shall be
6 sold by the officers of the city who have duties with respect to the sale
7 of bonds, notes, or warrants of the city. If an officer whose signature
8 appears on any bonds, notes, or warrants issued under this section
9 leaves office before their delivery, the signature remains valid and
10 sufficient for all purposes as if he had remained in office until the
11 delivery.

12 (i) If at any time during the life of a loan contract or agreement
13 under this section the commission can obtain loans for the purposes of
14 this section from sources other than the federal government at interest
15 rates not less favorable than provided in the loan contract or agreement,
16 and if the loan contract or agreement so permits, the commission may
17 do so and may pledge the loan contract and any rights under that
18 contract as security for the repayment of the loans obtained from other
19 sources. Any loan under this subsection may be evidenced by bonds,
20 notes, or warrants issued and secured in the same manner as provided
21 in this section for loans from the federal government. These bonds,
22 notes, or warrants may be sold at either public or private sale, as the
23 commission considers appropriate.

24 (j) Money obtained from the federal government or from other
25 sources under this section, and money that is required by a contract or
26 agreement under this section to be used for project expenditure
27 purposes, repayment of survey and planning advances, or repayment of
28 temporary or definitive loans, may be expended by the commission
29 without regard to any law pertaining to the making and approval of
30 budgets, appropriations, and expenditures.

31 (k) Bonds, notes, or warrants issued under this section are declared
32 to be issued for an essential public and governmental purpose.

33 SECTION 736. IC 36-7-15.1-26, AS AMENDED BY P.L. 154-2006,
34 SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2008]: Sec. 26. (a) As used in this section:

36 "Allocation area" means that part of a redevelopment project area
37 to which an allocation provision of a resolution adopted under section
38 8 of this chapter refers for purposes of distribution and allocation of
39 property taxes.

40 "Base assessed value" means the following:

41 (1) If an allocation provision is adopted after June 30, 1995, in a
42 declaratory resolution or an amendment to a declaratory

- 1 resolution establishing an economic development area:
- 2 (A) the net assessed value of all the property as finally
- 3 determined for the assessment date immediately preceding the
- 4 effective date of the allocation provision of the declaratory
- 5 resolution, as adjusted under subsection (h); plus
- 6 (B) to the extent that it is not included in clause (A), the net
- 7 assessed value of property that is assessed as residential
- 8 property under the rules of the department of local government
- 9 finance, as finally determined for any assessment date after the
- 10 effective date of the allocation provision.
- 11 (2) If an allocation provision is adopted after June 30, 1997, in a
- 12 declaratory resolution or an amendment to a declaratory
- 13 resolution establishing a redevelopment project area:
- 14 (A) the net assessed value of all the property as finally
- 15 determined for the assessment date immediately preceding the
- 16 effective date of the allocation provision of the declaratory
- 17 resolution, as adjusted under subsection (h); plus
- 18 (B) to the extent that it is not included in clause (A), the net
- 19 assessed value of property that is assessed as residential
- 20 property under the rules of the department of local government
- 21 finance, as finally determined for any assessment date after the
- 22 effective date of the allocation provision.
- 23 (3) If:
- 24 (A) an allocation provision adopted before June 30, 1995, in
- 25 a declaratory resolution or an amendment to a declaratory
- 26 resolution establishing a redevelopment project area expires
- 27 after June 30, 1997; and
- 28 (B) after June 30, 1997, a new allocation provision is included
- 29 in an amendment to the declaratory resolution;
- 30 the net assessed value of all the property as finally determined for
- 31 the assessment date immediately preceding the effective date of
- 32 the allocation provision adopted after June 30, 1997, as adjusted
- 33 under subsection (h).
- 34 (4) Except as provided in subdivision (5), for all other allocation
- 35 areas, the net assessed value of all the property as finally
- 36 determined for the assessment date immediately preceding the
- 37 effective date of the allocation provision of the declaratory
- 38 resolution, as adjusted under subsection (h).
- 39 (5) If an allocation area established in an economic development
- 40 area before July 1, 1995, is expanded after June 30, 1995, the
- 41 definition in subdivision (1) applies to the expanded part of the
- 42 area added after June 30, 1995.

1 (6) If an allocation area established in a redevelopment project
2 area before July 1, 1997, is expanded after June 30, 1997, the
3 definition in subdivision (2) applies to the expanded part of the
4 area added after June 30, 1997.

5 Except as provided in section 26.2 of this chapter, "property taxes"
6 means taxes imposed under IC 6-1.1 on real property. However, upon
7 approval by a resolution of the redevelopment commission adopted
8 before June 1, 1987, "property taxes" also includes taxes imposed
9 under IC 6-1.1 on depreciable personal property. If a redevelopment
10 commission adopted before June 1, 1987, a resolution to include within
11 the definition of property taxes taxes imposed under IC 6-1.1 on
12 depreciable personal property that has a useful life in excess of eight
13 (8) years, the commission may by resolution determine the percentage
14 of taxes imposed under IC 6-1.1 on all depreciable personal property
15 that will be included within the definition of property taxes. However,
16 the percentage included must not exceed twenty-five percent (25%) of
17 the taxes imposed under IC 6-1.1 on all depreciable personal property.

18 (b) A resolution adopted under section 8 of this chapter on or before
19 the allocation deadline determined under subsection (i) may include a
20 provision with respect to the allocation and distribution of property
21 taxes for the purposes and in the manner provided in this section. A
22 resolution previously adopted may include an allocation provision by
23 the amendment of that resolution on or before the allocation deadline
24 determined under subsection (i) in accordance with the procedures
25 required for its original adoption. A declaratory resolution or an
26 amendment that establishes an allocation provision after June 30, 1995,
27 must specify an expiration date for the allocation provision. ~~that~~ **For an**
28 **allocation area established before July 1, 2008, the expiration date**
29 **may not be more than thirty (30) years after the date on which the**
30 **allocation provision is established. For an allocation area established**
31 **after June 30, 2008, the expiration date may not be more than**
32 **twenty-five (25) years after the date on which the allocation**
33 **provision is established.** However, **with respect to bonds or other**
34 **obligations that were issued before July 1, 2008, if any of the bonds**
35 **or other obligations that were scheduled when issued to mature before**
36 **the specified expiration date and that are payable only from allocated**
37 **tax proceeds with respect to the allocation area remain outstanding as**
38 **of the expiration date, the allocation provision does not expire until all**
39 **of the bonds or other obligations are no longer outstanding.** The
40 allocation provision may apply to all or part of the redevelopment
41 project area. The allocation provision must require that any property
42 taxes subsequently levied by or for the benefit of any public body

1 entitled to a distribution of property taxes on taxable property in the
2 allocation area be allocated and distributed as follows:

3 (1) Except as otherwise provided in this section, the proceeds of
4 the taxes attributable to the lesser of:

5 (A) the assessed value of the property for the assessment date
6 with respect to which the allocation and distribution is made;
7 or

8 (B) the base assessed value;

9 shall be allocated to and, when collected, paid into the funds of
10 the respective taxing units.

11 (2) Except as otherwise provided in this section, property tax
12 proceeds in excess of those described in subdivision (1) shall be
13 allocated to the redevelopment district and, when collected, paid
14 into a special fund for that allocation area that may be used by the
15 redevelopment district only to do one (1) or more of the
16 following:

17 (A) Pay the principal of and interest on any obligations
18 payable solely from allocated tax proceeds that are incurred by
19 the redevelopment district for the purpose of financing or
20 refinancing the redevelopment of that allocation area.

21 (B) Establish, augment, or restore the debt service reserve for
22 bonds payable solely or in part from allocated tax proceeds in
23 that allocation area.

24 (C) Pay the principal of and interest on bonds payable from
25 allocated tax proceeds in that allocation area and from the
26 special tax levied under section 19 of this chapter.

27 (D) Pay the principal of and interest on bonds issued by the
28 consolidated city to pay for local public improvements **in that**
29 **are physically located in or physically connected to** that
30 allocation area.

31 (E) Pay premiums on the redemption before maturity of bonds
32 payable solely or in part from allocated tax proceeds in that
33 allocation area.

34 (F) Make payments on leases payable from allocated tax
35 proceeds in that allocation area under section 17.1 of this
36 chapter.

37 (G) Reimburse the consolidated city for expenditures for local
38 public improvements (which include buildings, parking
39 facilities, and other items set forth in section 17 of this
40 chapter) **in that are physically located in or physically**
41 **connected to** that allocation area.

42 (H) Reimburse the unit for rentals paid by it for a building or

1 parking facility ~~in~~ **that is physically located in or physically**
 2 **connected to** that allocation area under any lease entered into
 3 under IC 36-1-10.

4 (I) Reimburse public and private entities for expenses incurred
 5 in training employees of industrial facilities that are located:

6 (i) in the allocation area; and

7 (ii) on a parcel of real property that has been classified as
 8 industrial property under the rules of the department of local
 9 government finance.

10 However, the total amount of money spent for this purpose in
 11 any year may not exceed the total amount of money in the
 12 allocation fund that is attributable to property taxes paid by the
 13 industrial facilities described in this clause. The
 14 reimbursements under this clause must be made within three
 15 (3) years after the date on which the investments that are the
 16 basis for the increment financing are made.

17 The special fund may not be used for operating expenses of the
 18 commission.

19 (3) Before July 15 of each year, the commission shall do the
 20 following:

21 (A) Determine the amount, if any, by which the ~~base~~ assessed
 22 value **of the taxable property in the allocation area for the**
 23 **most recent assessment date minus the base assessed value,**
 24 when multiplied by the estimated tax rate of the ~~allocated~~
 25 **allocation** area, will exceed the amount of assessed value
 26 needed to provide the property taxes necessary to make, when
 27 due, principal and interest payments on bonds described in
 28 subdivision (2) plus the amount necessary for other purposes
 29 described in subdivision (2) and subsection (g).

30 (B) ~~Notify~~ **Provide a written notice to** the county auditor, ~~of~~
 31 **the legislative body of the consolidated city, and the**
 32 **officers who are authorized to fix budgets, tax rates, and**
 33 **tax levies under IC 6-1.1-17-5 for each of the other taxing**
 34 **units that is wholly or partly located within the allocation**
 35 **area. The notice must:**

36 (i) **state** the amount, if any, of excess assessed value that the
 37 commission has determined may be allocated to the
 38 respective taxing units in the manner prescribed in
 39 subdivision (1); **or**

40 (ii) **state that the commission has determined that there**
 41 **is no excess assessed value that may be allocated to the**
 42 **respective taxing units in the manner prescribed in**

1 **subdivision (1).**
2 **The county auditor shall allocate to the respective taxing**
3 **units the amount, if any, of excess assessed value**
4 **determined by the commission.** The commission may not
5 authorize an allocation to the respective taxing units under this
6 subdivision if to do so would endanger the interests of the
7 holders of bonds described in subdivision (2).

8 (c) For the purpose of allocating taxes levied by or for any taxing
9 unit or units, the assessed value of taxable property in a territory in the
10 allocation area that is annexed by any taxing unit after the effective
11 date of the allocation provision of the resolution is the lesser of:

- 12 (1) the assessed value of the property for the assessment date with
13 respect to which the allocation and distribution is made; or
14 (2) the base assessed value.

15 (d) Property tax proceeds allocable to the redevelopment district
16 under subsection (b)(2) may, subject to subsection (b)(3), be
17 irrevocably pledged by the redevelopment district for payment as set
18 forth in subsection (b)(2).

19 (e) Notwithstanding any other law, each assessor shall, upon
20 petition of the commission, reassess the taxable property situated upon
21 or in, or added to, the allocation area, effective on the next assessment
22 date after the petition.

23 (f) Notwithstanding any other law, the assessed value of all taxable
24 property in the allocation area, for purposes of tax limitation, property
25 tax replacement, and formulation of the budget, tax rate, and tax levy
26 for each political subdivision in which the property is located is the
27 lesser of:

- 28 (1) the assessed value of the property as valued without regard to
29 this section; or
30 (2) the base assessed value.

31 (g) If any part of the allocation area is located in an enterprise zone
32 created under IC 5-28-15, the unit that designated the allocation area
33 shall create funds as specified in this subsection. A unit that has
34 obligations, bonds, or leases payable from allocated tax proceeds under
35 subsection (b)(2) shall establish an allocation fund for the purposes
36 specified in subsection (b)(2) and a special zone fund. Such a unit
37 shall, until the end of the enterprise zone phase out period, deposit each
38 year in the special zone fund the amount in the allocation fund derived
39 from property tax proceeds in excess of those described in subsection
40 (b)(1) from property located in the enterprise zone that exceeds the
41 amount sufficient for the purposes specified in subsection (b)(2) for the
42 year. A unit that has no obligations, bonds, or leases payable from

1 allocated tax proceeds under subsection (b)(2) shall establish a special
2 zone fund and deposit all the property tax proceeds in excess of those
3 described in subsection (b)(1) in the fund derived from property tax
4 proceeds in excess of those described in subsection (b)(1) from
5 property located in the enterprise zone. The unit that creates the special
6 zone fund shall use the fund, based on the recommendations of the
7 urban enterprise association, for one (1) or more of the following
8 purposes:

9 (1) To pay for programs in job training, job enrichment, and basic
10 skill development designed to benefit residents and employers in
11 the enterprise zone. The programs must reserve at least one-half
12 (1/2) of the enrollment in any session for residents of the
13 enterprise zone.

14 (2) To make loans and grants for the purpose of stimulating
15 business activity in the enterprise zone or providing employment
16 for enterprise zone residents in the enterprise zone. These loans
17 and grants may be made to the following:

18 (A) Businesses operating in the enterprise zone.

19 (B) Businesses that will move their operations to the enterprise
20 zone if such a loan or grant is made.

21 (3) To provide funds to carry out other purposes specified in
22 subsection (b)(2). However, where reference is made in
23 subsection (b)(2) to the allocation area, the reference refers for
24 purposes of payments from the special zone fund only to that part
25 of the allocation area that is also located in the enterprise zone.

26 (h) The state board of accounts and department of local government
27 finance shall make the rules and prescribe the forms and procedures
28 that they consider expedient for the implementation of this chapter.
29 After each general reassessment under IC 6-1.1-4, the department of
30 local government finance shall adjust the base assessed value one (1)
31 time to neutralize any effect of the general reassessment on the
32 property tax proceeds allocated to the redevelopment district under this
33 section. After each annual adjustment under IC 6-1.1-4-4.5, the
34 department of local government finance shall adjust the base assessed
35 value to neutralize any effect of the annual adjustment on the property
36 tax proceeds allocated to the redevelopment district under this section.
37 However, the adjustments under this subsection may not include the
38 effect of property tax abatements under IC 6-1.1-12.1, and these
39 adjustments may not produce less property tax proceeds allocable to
40 the redevelopment district under subsection (b)(2) than would
41 otherwise have been received if the general reassessment or annual
42 adjustment had not occurred. The department of local government

1 finance may prescribe procedures for county and township officials to
2 follow to assist the department in making the adjustments.

3 (i) The allocation deadline referred to in subsection (b) is
4 determined in the following manner:

5 (1) The initial allocation deadline is December 31, 2011.

6 (2) Subject to subdivision (3), the initial allocation deadline and
7 subsequent allocation deadlines are automatically extended in
8 increments of five (5) years, so that allocation deadlines
9 subsequent to the initial allocation deadline fall on December 31,
10 2016, and December 31 of each fifth year thereafter.

11 (3) At least one (1) year before the date of an allocation deadline
12 determined under subdivision (2), the general assembly may enact
13 a law that:

14 (A) terminates the automatic extension of allocation deadlines
15 under subdivision (2); and

16 (B) specifically designates a particular date as the final
17 allocation deadline.

18 SECTION 737. IC 36-7-15.1-26.9, AS AMENDED BY
19 P.L.224-2007, SECTION 122, IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 26.9. (a) The
21 definitions set forth in section 26.5 of this chapter apply to this section.

22 (b) The fiscal officer of the consolidated city shall publish in the
23 newspaper in the county with the largest circulation all determinations
24 made under section 26.5 or 26.7 of this chapter that result in the
25 allowance or disallowance of credits. The publication of a
26 determination made under section 26.5 of this chapter shall be made
27 not later than June 20 of the year in which the determination is made.
28 The publication of a determination made under section 26.7 of this
29 chapter shall be made not later than December 5 of the year in which
30 the determination is made.

31 (c) If credits are granted under section 26.5(g) or 26.5(h) of this
32 chapter, whether in whole or in part, property taxes on personal
33 property (as defined in IC 6-1.1-1-11) that are equal to the aggregate
34 amounts of the credits for all taxpayers in the allocation area under
35 section 26.5(g) and 26.5(h) of this chapter shall be:

36 (1) allocated to the redevelopment district;

37 (2) paid into the special fund for that allocation area; and

38 (3) used for the purposes specified in section 26 of this chapter.

39 (d) The county auditor shall adjust the estimate of assessed
40 valuation that the auditor certifies under IC 6-1.1-17-1 for all taxing
41 units in which the allocation area is located. The county auditor may
42 amend this adjustment at any time before the earliest date a taxing unit

1 must publish the unit's proposed property tax rate under IC 6-1.1-17-3
 2 in the year preceding the year in which the credits under section
 3 26.5(g) or 26.5(h) of this chapter are paid. The auditor's adjustment to
 4 the assessed valuation shall be:

5 (1) calculated to produce an estimated assessed valuation that will
 6 offset the effect that paying personal property taxes into the
 7 allocation area special fund under subsection (c) would otherwise
 8 have on the ability of a taxing unit to achieve the taxing unit's tax
 9 levy in the following year; and

10 (2) used by the county board of tax adjustment, ~~(before January~~
 11 ~~1, 2009)~~ ~~or the county board of tax and capital projects review~~
 12 ~~(after December 31, 2008)~~, the department of local government
 13 finance, and each taxing unit in determining each taxing unit's tax
 14 rate and tax levy in the following year.

15 (e) The amount by which a taxing unit's levy is adjusted as a result
 16 of the county auditor's adjustment of assessed valuation under
 17 subsection (d), and the amount of the levy that is used to make direct
 18 payments to taxpayers under section 26.5(h) of this chapter, is not part
 19 of the total county tax levy under IC 6-1.1-21-2(g) and is not subject to
 20 IC 6-1.1-20.

21 (f) The ad valorem property tax levy limits imposed by
 22 IC 6-1.1-18.5-3 and IC 20-45-3 **(before its repeal)** do not apply to ad
 23 valorem property taxes imposed that are used to offset the effect of
 24 paying personal property taxes into an allocation area special fund
 25 during the taxable year under subsection (d) or to make direct payments
 26 to taxpayers under section 26.5(h) of this chapter. For purposes of
 27 computing the ad valorem property tax levy limits imposed under
 28 IC 6-1.1-18.5-3 and IC 20-45-3 **(before its repeal)**, a taxing unit's ad
 29 valorem property tax levy for a particular calendar year does not
 30 include that part of the levy imposed to offset the effect of paying
 31 personal property taxes into an allocation area special fund under
 32 subsection (d) or to make direct payments to taxpayers under section
 33 26.5(h) of this chapter.

34 (g) Property taxes on personal property that are deposited in the
 35 allocation area special fund:

36 (1) are subject to any pledge of allocated property tax proceeds
 37 made by the redevelopment district under section 26(d) of this
 38 chapter, including but not limited to any pledge made to owners
 39 of outstanding bonds of the redevelopment district of allocated
 40 taxes from that area; and

41 (2) may not be treated as property taxes used to pay interest or
 42 principal due on debt under IC 6-1.1-21-2(g)(1)(D) **(before its**

1 **repeal).**

2 SECTION 738. IC 36-7-15.1-29 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 29. (a) The commission
4 may, by following the procedures set forth in sections 8, 9, and 10 of
5 this chapter, approve a plan for and determine that a geographic area
6 in the redevelopment district is an economic development area.
7 Designation of an economic development area is subject to judicial
8 review in the manner prescribed in section 11 of this chapter.

9 (b) The commission may determine that a geographic area is an
10 economic development area if it finds:

11 (1) the plan for the economic development area:

12 (A) promotes significant opportunities for the gainful
13 employment of its citizens;

14 (B) attracts a major new business enterprise to the unit;

15 (C) retains or expands a significant business enterprise
16 existing in the boundaries of the unit; or

17 (D) meets other purposes of this section and sections 28 and
18 30 of this chapter;

19 (2) the plan for the economic development area cannot be
20 achieved by regulatory processes or by the ordinary operation of
21 private enterprise without resort to the powers allowed under this
22 section and sections 28 and 30 of this chapter because of:

23 (A) lack of local public improvement;

24 (B) existence of improvements or conditions that lower the
25 value of the land below that of nearby land;

26 (C) multiple ownership of land; or

27 (D) other similar conditions;

28 (3) the public health and welfare will be benefited by
29 accomplishment of the plan for the economic development area;

30 (4) the accomplishment of the plan for the economic development
31 area will be a public utility and benefit as measured by:

32 (A) attraction or retention of permanent jobs;

33 (B) increase in the property tax base;

34 (C) improved diversity of the economic base; or

35 (D) other similar public benefits; and

36 (5) the plan for the economic development area conforms to the
37 comprehensive plan of development for the consolidated city.

38 (c) The determination that a geographic area is an economic
39 development area must be approved by the city-county legislative body.
40 The approval may be given either before or after judicial review is
41 requested. The requirement that the city-county legislative body
42 approve economic development areas does not prevent the commission

1 from amending the plan for the economic development area. However,
 2 the enlargement of any boundary in the economic development area
 3 must be approved by the city-county legislative body, **and a boundary**
 4 **may not be enlarged unless:**

5 (1) **the existing area does not generate sufficient revenue to**
 6 **meet the financial obligations of the original project; or**

7 (2) **the Indiana economic development corporation has, in the**
 8 **manner provided by section 8(f) of this chapter, made a**
 9 **finding approving the enlargement of the boundary.**

10 SECTION 739. IC 36-7-15.1-30, AS AMENDED BY P.L.185-2005,
 11 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2008]: Sec. 30. (a) All of the rights, powers, privileges, and
 13 immunities that may be exercised by the commission in a
 14 redevelopment project area or urban renewal area may be exercised by
 15 the commission in an economic development area, subject to the
 16 following:

17 (1) The content and manner of exercise of these rights, powers,
 18 privileges, and immunities shall be determined by the purposes
 19 and nature of an economic development area.

20 (2) Real property (or interests in real property) relative to which
 21 action is taken under this section or section 28 or 29 of this
 22 chapter in an economic development area is not required to meet
 23 the conditions described in IC 36-7-1-3.

24 (3) The special tax levied in accordance with section 16 of this
 25 chapter may be used to carry out activities under this chapter in
 26 economic development areas.

27 (4) Bonds may be issued in accordance with section 17 of this
 28 chapter to defray expenses of carrying out activities under this
 29 chapter in economic development areas **if no other revenue**
 30 **sources are available for this purpose.**

31 (5) The tax exemptions set forth in section 25 of this chapter are
 32 applicable in economic development areas.

33 (6) An economic development area may be an allocation area for
 34 the purposes of distribution and allocation of property taxes.

35 (7) The commission may not use its power of eminent domain
 36 under section 13 of this chapter to carry out activities under this
 37 chapter in economic development areas.

38 (b) The content and manner of discharge of duties set forth in
 39 section 6 of this chapter shall be determined by the purposes and nature
 40 of an economic development area.

41 SECTION 740. IC 36-7-15.1-32, AS AMENDED BY P.L.219-2007,
 42 SECTION 130, IS AMENDED TO READ AS FOLLOWS

1 [EFFECTIVE JULY 1, 2008]: Sec. 32. (a) The commission must
2 establish a program for housing. The program, which may include such
3 elements as the commission considers appropriate, must be adopted as
4 part of a redevelopment plan or amendment to a redevelopment plan,
5 and must establish an allocation area for purposes of sections 26 and
6 35 of this chapter for the accomplishment of the program.

7 (b) The notice and hearing provisions of sections 10 and 10.5 of this
8 chapter apply to the resolution adopted under subsection (a). Judicial
9 review of the resolution may be made under section 11 of this chapter.

10 (c) Before formal submission of any housing program to the
11 commission, the department shall consult with persons interested in or
12 affected by the proposed program and provide the affected
13 neighborhood associations, residents, township assessors (**if any**), and
14 the county assessor with an adequate opportunity to participate in an
15 advisory role in planning, implementing, and evaluating the proposed
16 program. The department may hold public meetings in the affected
17 neighborhood to obtain the views of neighborhood associations and
18 residents.

19 SECTION 741. IC 36-7-15.1-35, AS AMENDED BY P.L.219-2007,
20 SECTION 131, IS AMENDED TO READ AS FOLLOWS
21 [EFFECTIVE JULY 1, 2008]: Sec. 35. (a) Notwithstanding section
22 26(a) of this chapter, with respect to the allocation and distribution of
23 property taxes for the accomplishment of a program adopted under
24 section 32 of this chapter, "base assessed value" means the net assessed
25 value of all of the land as finally determined for the assessment date
26 immediately preceding the effective date of the allocation provision, as
27 adjusted under section 26(g) of this chapter. However, "base assessed
28 value" does not include the value of real property improvements to the
29 land.

30 (b) The special fund established under section 26(b) of this chapter
31 for the allocation area for a program adopted under section 32 of this
32 chapter may be used only for purposes related to the accomplishment
33 of the program, including the following:

- 34 (1) The construction, rehabilitation, or repair of residential units
35 within the allocation area.
- 36 (2) The construction, reconstruction, or repair of infrastructure
37 (such as streets, sidewalks, and sewers) within or serving the
38 allocation area.
- 39 (3) The acquisition of real property and interests in real property
40 within the allocation area.
- 41 (4) The demolition of real property within the allocation area.
- 42 (5) To provide financial assistance to enable individuals and

1 families to purchase or lease residential units within the allocation
 2 area. However, financial assistance may be provided only to those
 3 individuals and families whose income is at or below the county's
 4 median income for individuals and families, respectively.

5 (6) To provide financial assistance to neighborhood development
 6 corporations to permit them to provide financial assistance for the
 7 purposes described in subdivision (5).

8 **(7) For property taxes first due and payable before 2009**, to
 9 provide each taxpayer in the allocation area a credit for property
 10 tax replacement as determined under subsections (c) and (d).
 11 However, this credit may be provided by the commission only if
 12 the city-county legislative body establishes the credit by
 13 ordinance adopted in the year before the year in which the credit
 14 is provided.

15 (c) The maximum credit that may be provided under subsection
 16 (b)(7) to a taxpayer in a taxing district that contains all or part of an
 17 allocation area established for a program adopted under section 32 of
 18 this chapter shall be determined as follows:

19 STEP ONE: Determine that part of the sum of the amounts
 20 described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2)
 21 through IC 6-1.1-21-2(g)(5) that is attributable to the taxing
 22 district.

23 STEP TWO: Divide:

24 (A) that part of each county's eligible property tax replacement
 25 amount (as defined in IC 6-1.1-21-2) for that year as
 26 determined under IC 6-1.1-21-4(a)(1) that is attributable to the
 27 taxing district; by

28 (B) the amount determined under STEP ONE.

29 STEP THREE: Multiply:

30 (A) the STEP TWO quotient; by

31 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in
 32 the taxing district allocated to the allocation fund, including
 33 the amount that would have been allocated but for the credit.

34 (d) Except as provided in subsection (g), the commission may
 35 determine to grant to taxpayers in an allocation area from its allocation
 36 fund a credit under this section, as calculated under subsection (c), by
 37 applying one-half (1/2) of the credit to each installment of taxes (as
 38 defined in IC 6-1.1-21-2) that under IC 6-1.1-22-9 are due and payable
 39 in a year. Except as provided in subsection (g), one-half (1/2) of the
 40 credit shall be applied to each installment of taxes (as defined in
 41 IC 6-1.1-21-2). The commission must provide for the credit annually
 42 by a resolution and must find in the resolution the following:

- 1 (1) That the money to be collected and deposited in the allocation
 2 fund, based upon historical collection rates, after granting the
 3 credit will equal the amounts payable for contractual obligations
 4 from the fund, plus ten percent (10%) of those amounts.
 5 (2) If bonds payable from the fund are outstanding, that there is
 6 a debt service reserve for the bonds that at least equals the amount
 7 of the credit to be granted.
 8 (3) If bonds of a lessor under section 17.1 of this chapter or under
 9 IC 36-1-10 are outstanding and if lease rentals are payable from
 10 the fund, that there is a debt service reserve for those bonds that
 11 at least equals the amount of the credit to be granted.

12 If the tax increment is insufficient to grant the credit in full, the
 13 commission may grant the credit in part, prorated among all taxpayers.

14 (e) Notwithstanding section 26(b) of this chapter, the special fund
 15 established under section 26(b) of this chapter for the allocation area
 16 for a program adopted under section 32 of this chapter may only be
 17 used to do one (1) or more of the following:

- 18 (1) Accomplish one (1) or more of the actions set forth in section
 19 26(b)(2)(A) through 26(b)(2)(H) of this chapter.
 20 (2) Reimburse the consolidated city for expenditures made by the
 21 city in order to accomplish the housing program in that allocation
 22 area.

23 The special fund may not be used for operating expenses of the
 24 commission.

25 (f) Notwithstanding section 26(b) of this chapter, the commission
 26 shall, relative to the special fund established under section 26(b) of this
 27 chapter for an allocation area for a program adopted under section 32
 28 of this chapter, do the following before July 15 of each year:

29 (1) Determine the amount, if any, by which ~~property taxes payable~~
 30 ~~to the allocation fund in the following year the assessed value of~~
 31 ~~the taxable property in the allocation area, when multiplied~~
 32 ~~by the estimated tax rate of the allocation area,~~ will exceed the
 33 amount of **assessed value needed to produce the** property taxes
 34 necessary:

- 35 (A) to make, when due, principal and interest payments on
 36 bonds described in section 26(b)(2) of this chapter;
 37 (B) to pay the amount necessary for other purposes described
 38 in section 26(b)(2) of this chapter; and
 39 (C) to reimburse the consolidated city for anticipated
 40 expenditures described in subsection (e)(2).

41 (2) ~~Notify~~ **Provide a written notice to** the county auditor, ~~of the~~
 42 **legislative body of the consolidated city, and the officers who**

1 **are authorized to fix budgets, tax rates, and tax levies under**
 2 **IC 6-1.1-17-5 for each of the other taxing units that is wholly**
 3 **or partly located within the allocation area. The notice must:**

4 **(A) state the amount, if any, of excess property taxes assessed**
 5 **value that the commission has determined may be paid**
 6 **allocated to the respective taxing units in the manner**
 7 **prescribed in section 26(b)(1) of this chapter; or**

8 **(B) state that the commission has determined that there is**
 9 **no excess assessed value that may be allocated to the**
 10 **respective taxing units in the manner prescribed in section**
 11 **26(b)(1) of this chapter.**

12 **The county auditor shall allocate to the respective taxing units**
 13 **the amount, if any, of excess assessed value determined by the**
 14 **commission.**

15 (g) This subsection applies to an allocation area only to the extent
 16 that the net assessed value of property that is assessed as residential
 17 property under the rules of the department of local government finance
 18 is not included in the base assessed value. If property tax installments
 19 with respect to a homestead (as defined in IC 6-1.1-20.9-1) are due in
 20 installments established by the department of local government finance
 21 under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an
 22 allocation area is entitled to an additional credit under subsection (d)
 23 for the taxes (as defined in IC 6-1.1-21-2) due in installments. The
 24 credit shall be applied in the same proportion to each installment of
 25 taxes (as defined in IC 6-1.1-21-2).

26 SECTION 742. IC 36-7-15.1-40, AS AMENDED BY P.L.185-2005,
 27 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2008]: Sec. 40. (a) A commission shall establish a
 29 redevelopment project area by following the procedures set forth in
 30 sections 8 through 10 of this chapter. The establishment of a
 31 redevelopment project area under this subsection must also be
 32 approved by resolution of the legislative body of the excluded city.

33 (b) A commission may amend a resolution or plan for a
 34 redevelopment project area or economic development area by
 35 following the procedures ~~of section~~ **set forth in sections 8 through**
 36 **10.5** of this chapter. An amendment made under this subsection must
 37 also be approved by resolution of the legislative body of the excluded
 38 city.

39 (c) A person who filed a written remonstrance with the commission
 40 under subsection (a) and is aggrieved by the final action taken may
 41 seek appeal of the action by following the procedures for appeal set
 42 forth in section 11 of this chapter. The appeal hearing is governed by

1 the procedures of section 11(b) of this chapter.

2 SECTION 743. IC 36-7-15.1-45, AS AMENDED BY P.L.219-2007,
3 SECTION 132, IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2008]: Sec. 45. (a) In addition to other methods
5 of raising money for property acquisition or redevelopment in a
6 redevelopment project area, and in anticipation of the special tax to be
7 levied under section 50 of this chapter, the taxes allocated under
8 section 53 of this chapter, or other revenues of the redevelopment
9 district, a commission may, by resolution, issue the bonds of its
10 redevelopment district in the name of the excluded city. The amount of
11 the bonds may not exceed the total, as estimated by the commission, of
12 all expenses reasonably incurred in connection with the acquisition and
13 redevelopment of the property, including:

- 14 (1) the total cost of all land, rights-of-way, and other property to
15 be acquired and redeveloped;
- 16 (2) all reasonable and necessary architectural, engineering, legal,
17 financing, accounting, advertising, bond discount, and
18 supervisory expenses related to the acquisition and redevelopment
19 of the property or the issuance of bonds;
- 20 (3) capitalized interest permitted in this chapter and a debt service
21 reserve for the bonds, to the extent that the redevelopment
22 commission determines that a reserve is reasonably required;
- 23 (4) the total cost of all clearing and construction work provided
24 for in the resolution; and
- 25 (5) expenses that the commission is required or permitted to pay
26 under IC 8-23-17.

27 (b) If a commission plans to acquire different parcels of land or let
28 different contracts for redevelopment work at approximately the same
29 time, whether under one (1) or more resolutions, a commission may
30 provide for the total cost in one (1) issue of bonds.

31 (c) The bonds must be dated as set forth in the bond resolution and
32 negotiable subject to the requirements concerning registration of the
33 bonds. The resolution authorizing the bonds must state:

- 34 (1) the denominations of the bonds;
- 35 (2) the place or places at which the bonds are payable; and
- 36 (3) the term of the bonds, which may not exceed:
 - 37 **(A) fifty (50) years, for bonds issued before July 1, 2008; or**
 - 38 **(B) twenty-five (25) years, for bonds issued after June 30,**
 - 39 **2008.**

40 The resolution may also state that the bonds are redeemable before
41 maturity with or without a premium, as determined by the commission.

42 (d) The commission shall certify a copy of the resolution authorizing

1 the bonds to the fiscal officer of the excluded city, who shall then
 2 prepare the bonds. The seal of the unit must be impressed on the bonds,
 3 or a facsimile of the seal must be printed on the bonds.

4 (e) The bonds shall be executed by the excluded city executive and
 5 attested by the excluded city fiscal officer. The interest coupons, if any,
 6 shall be executed by the facsimile signature of the excluded city fiscal
 7 officer.

8 (f) The bonds are exempt from taxation as provided by IC 6-8-5.

9 (g) The excluded city fiscal officer shall sell the bonds according to
 10 law. Bonds payable solely or in part from tax proceeds allocated under
 11 section 53(b)(2) of this chapter or other revenues of the district may be
 12 sold at private negotiated sale and at a price or prices not less than
 13 ninety-seven percent (97%) of the par value.

14 (h) The bonds are not a corporate obligation of the excluded city but
 15 are an indebtedness of the redevelopment district. The bonds and
 16 interest are payable:

- 17 (1) from a special tax levied upon all of the property in the
- 18 redevelopment district, as provided by section 50 of this chapter;
- 19 (2) from the tax proceeds allocated under section 53(b)(2) of this
- 20 chapter;
- 21 (3) from other revenues available to the commission; or
- 22 (4) from a combination of the methods described in subdivisions
- 23 (1) through (3);

24 and from any revenues of the designated project. If the bonds are
 25 payable solely from the tax proceeds allocated under section 53(b)(2)
 26 of this chapter, other revenues of the redevelopment commission, or
 27 any combination of these sources, they may be issued in any amount
 28 without limitation.

29 (i) Proceeds from the sale of the bonds may be used to pay the cost
 30 of interest on the bonds for a period not to exceed five (5) years from
 31 the date of issue.

32 (j) The laws relating to the filing of petitions requesting the issuance
 33 of bonds and the right of taxpayers and voters to remonstrate against
 34 the issuance of bonds **under IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2 or**
 35 **voters to vote on the proposed issuance of bonds under**
 36 **IC 6-1.1-20-3.5 and IC 6-1.1-20-3.6** applicable to bonds issued under
 37 **this chapter do not apply to bonds issued under this chapter.**
 38 **However, this subsection does not apply to bonds that are** payable
 39 **solely or in part from tax proceeds allocated under section 53(b)(2) of**
 40 **this chapter other revenues of the commission or any combination of**
 41 **these sources described in subsection (h)(3).**

42 (k) If bonds are issued under this chapter that are payable solely or

1 in part from revenues to a commission from a project or projects, a
 2 commission may adopt a resolution or trust indenture or enter into
 3 covenants as is customary in the issuance of revenue bonds. The
 4 resolution or trust indenture may pledge or assign the revenues from
 5 the project or projects but may not convey or mortgage any project or
 6 parts of a project. The resolution or trust indenture may also contain
 7 any provisions for protecting and enforcing the rights and remedies of
 8 the bond owners as may be reasonable and proper and not in violation
 9 of law, including covenants setting forth the duties of the commission.
 10 The commission may establish fees and charges for the use of any
 11 project and covenant with the owners of bonds to set those fees and
 12 charges at a rate sufficient to protect the interest of the owners of the
 13 bonds. Any revenue bonds issued by the commission that are payable
 14 solely from revenues of the commission must contain a statement to
 15 that effect in the form of bond.

16 SECTION 744. IC 36-7-15.1-46 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 46. (a) A commission
 18 may enter into a lease of any property that may be financed with the
 19 proceeds of bonds issued under section 45 of this chapter with a lessor
 20 for a term not to exceed:

- 21 (1) fifty (50) years, **for a lease entered into before July 1, 2008;**
 22 **or**
 23 (2) **twenty-five (25) years, for a lease entered into after June**
 24 **30, 2008.**

25 The lease may provide for payments to be made by the commission
 26 from special benefits taxes levied under section 50 of this chapter,
 27 taxes allocated under section 53 of this chapter, any other revenue
 28 available to the commission, or any combination of these sources.

29 (b) A lease may provide that payments by the commission to the
 30 lessor are required only to the extent and only for the period that the
 31 lessor is able to provide the leased facilities in accordance with the
 32 lease. The terms of each lease must be based upon the value of the
 33 facilities leased and may not create a debt of the unit or the district for
 34 purposes of the Constitution of the State of Indiana.

35 (c) A lease may be entered into by the commission only after a
 36 public hearing by the commission at which all interested parties are
 37 given the opportunity to be heard. Notice of the hearing must be given
 38 by publication in accordance with IC 5-3-1. After the public hearing,
 39 the commission may adopt a resolution authorizing the execution of the
 40 lease on behalf of the unit if it finds that the service to be provided
 41 throughout the term of the lease will serve the public purpose of the
 42 unit and is in the best interests of its residents. Any lease approved by

1 a resolution of the commission must be approved by an ordinance of
2 the fiscal body of the excluded city.

3 (d) Upon execution of a lease providing for payments by the
4 commission in whole or in part from the levy of special benefits taxes
5 under section 50 of this chapter and upon approval of the lease by the
6 fiscal body, the commission shall publish notice of the execution of the
7 lease and its approval in accordance with IC 5-3-1. Fifty (50) or more
8 taxpayers residing in the district who will be affected by the lease and
9 who may be of the opinion that no necessity exists for the execution of
10 the lease or that the payments provided for in the lease are not fair and
11 reasonable may file a petition in the office of the county auditor within
12 thirty (30) days after the publication of the notice of execution and
13 approval. The petition must set forth the petitioners' names, addresses,
14 and objections to the lease and the facts showing that the execution of
15 the lease is unnecessary or unwise or that the payments provided for in
16 the lease are not fair and reasonable, as the case may be. Upon the
17 filing of the petition, the county auditor shall immediately certify a
18 copy of the petition, together with such other data as may be necessary
19 in order to present the questions involved, to the department of local
20 government finance. Upon receipt of the certified petition and
21 information, the department of local government finance shall fix a
22 time and place for the hearing in the redevelopment district, which
23 must not be less than five (5) or more than thirty (30) days after the
24 time for the hearing is fixed. Notice of the hearing shall be given by the
25 department of local government finance to the members of the fiscal
26 body, to the commission, and to the first fifty (50) petitioners on the
27 petition by a letter signed by the commissioner or deputy commissioner
28 of the department and enclosed with fully prepaid postage sent to those
29 persons at their usual place of residence, at least five (5) days before
30 the date of the hearing. The decision of the department of local
31 government finance on the appeal, upon the necessity for the execution
32 of the lease and as to whether the payments under it are fair and
33 reasonable, is final.

34 (e) A commission entering into a lease payable from allocated taxes
35 under section 53 of this chapter or revenues or other available funds of
36 the commission may:

37 (1) pledge the revenue to make payments under the lease as
38 provided in IC 5-1-14-4; and

39 (2) establish a special fund to make the payments.

40 Lease rentals may be limited to money in the special fund so that the
41 obligations of the commission to make the lease rental payments are
42 not considered a debt of the unit or the district for purposes of the

1 Constitution of the State of Indiana.

2 (f) Except as provided in this section, no approvals of any
3 governmental body or agency are required before the commission
4 enters into a lease under this section.

5 (g) An action to contest the validity of the lease or to enjoin the
6 performance of any of its terms and conditions must be brought within
7 thirty (30) days after the publication of the notice of the execution and
8 approval of the lease. However, if the lease is payable in whole or in
9 part from tax levies and an appeal has been taken to the department of
10 local government finance, an action to contest the validity or to enjoin
11 performance must be brought within thirty (30) days after the decision
12 of the department of local government finance.

13 (h) If a commission exercises an option to buy a leased facility from
14 a lessor, the commission may subsequently sell the leased facility,
15 without regard to any other statute, to the lessor at the end of the lease
16 term at a price set forth in the lease or at fair market value established
17 at the time of the sale by the commission through auction, appraisal, or
18 arms length negotiation. If the facility is sold at auction, after appraisal,
19 or through negotiation, the commission shall conduct a hearing after
20 public notice in accordance with IC 5-3-1 before the sale. Any action
21 to contest the sale must be brought within fifteen (15) days after the
22 hearing.

23 SECTION 745. IC 36-7-15.1-51 IS AMENDED TO READ AS
24 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 51. (a) **Subject to the**
25 **approval of the legislative body of the consolidated city, and in**
26 order to:

- 27 (1) undertake survey and planning activities under this chapter;
28 (2) undertake and carry out any redevelopment project or
29 economic development plan;
30 (3) pay principal and interest on any advances;
31 (4) pay or retire any bonds and interest on them; or
32 (5) refund loans previously made under this section;

33 the commission may apply for and accept advances, short term and
34 long term loans, grants, contributions, loan guarantees, and any other
35 form of financial assistance from the federal government or from any
36 of its agencies. The commission may apply for and accept loans under
37 this section from sources other than the federal government or federal
38 agencies, but only if the loans are unconditionally guaranteed by the
39 federal government or federal agencies. The commission may also
40 enter into and carry out contracts and agreements in connection with
41 that financial assistance upon the terms and conditions that the
42 commission considers reasonable and appropriate, if those terms and

1 conditions are not inconsistent with the purposes of this chapter. The
 2 provisions of such a contract or agreement in regard to the handling,
 3 deposit, and application of project funds as all other provisions are
 4 valid and binding on the excluded city or its executive departments and
 5 officers, as well as the commission, notwithstanding any other
 6 provision of this chapter.

7 **(b) Subject to the approval of the fiscal body of the consolidated**
 8 **city, the commission may issue and sell bonds, notes, or warrants:**

9 (1) to the federal government to evidence short term or long term
 10 loans made under this section; or

11 (2) to persons or entities other than the federal government to
 12 evidence short or long term loans made under this section that are
 13 unconditionally guaranteed by the federal government or federal
 14 agencies;

15 without notice of sale being given or a public offering being made.

16 (c) Notwithstanding any other law, bonds, notes, or warrants issued
 17 by the commission under this section may:

18 (1) be in the amounts, form, or denomination;

19 (2) be either coupon or registered;

20 (3) carry conversion or other privileges;

21 (4) have a rank or priority;

22 (5) be of such description;

23 (6) be secured (subject to other provisions of this section) in such
 24 manner;

25 (7) bear interest at a rate or rates;

26 (8) be payable as to both principal and interest in a medium of
 27 payment, at a time or times (which may be upon demand), and at
 28 a place or places;

29 (9) be subject to terms of redemption (with or without premium);

30 (10) contain or be subject to any covenants, conditions, and
 31 provisions; and

32 (11) have any other characteristics;

33 that the commission considers reasonable and appropriate.

34 (d) Bonds, notes, or warrants issued under this section are not an
 35 indebtedness of the excluded city or its redevelopment district within
 36 the meaning of any constitutional or statutory limitation of
 37 indebtedness. The bonds, notes, or warrants are not payable from or
 38 secured by a levy of taxes but are payable only from and secured only
 39 by income, funds, and properties of the project becoming available to
 40 the commission under this chapter or by grant funds from the federal
 41 government, as the commission specifies in the resolution authorizing
 42 their issuance.

1 (e) Bonds, notes, or warrants issued under this section are exempt
2 from taxation as provided by IC 6-8-5.

3 (f) Bonds, notes, or warrants issued under this section shall be
4 executed by the city executive and attested by the fiscal officer in the
5 name of the "City (or Town) of _____, for and on behalf
6 of its Redevelopment District".

7 (g) Following the adoption of the resolution authorizing the issuance
8 of bonds, notes, or warrants under this section, the commission shall
9 certify a copy of that resolution to the officers of the excluded city who
10 have duties with respect to bonds, notes, or warrants of the excluded
11 city. At the proper time, the commission shall deliver to the officers the
12 unexecuted bonds, notes, or warrants prepared for execution in
13 accordance with the resolution.

14 (h) All bonds, notes, or warrants issued under this section shall be
15 sold by the officers of the excluded city who have duties with respect
16 to the sale of bonds, notes, or warrants of the excluded city. If an
17 officer whose signature appears on any bonds, notes, or warrants issued
18 under this section leaves office before their delivery, the signature
19 remains valid and sufficient for all purposes as if the officer had
20 remained in office until the delivery.

21 (i) If, at any time during the life of a loan contract or agreement
22 under this section, the commission can obtain loans for the purposes of
23 this section from sources other than the federal government at interest
24 rates not less favorable than provided in the loan contract or agreement,
25 and if the loan contract or agreement so permits, the commission may
26 do so and may pledge the loan contract and any rights under that
27 contract as security for the repayment of the loans obtained from other
28 sources. Any loan under this subsection may be evidenced by bonds,
29 notes, or warrants issued and secured in the same manner as provided
30 in this section for loans from the federal government. These bonds,
31 notes, or warrants may be sold at either public or private sale, as the
32 commission considers appropriate.

33 (j) Money obtained from the federal government or from other
34 sources under this section, and money that is required by a contract or
35 agreement under this section to be used for project expenditure
36 purposes, repayment of survey and planning advances, or repayment of
37 temporary or definitive loans, may be expended by the commission
38 without regard to any law pertaining to the making and approval of
39 budgets, appropriations, and expenditures.

40 (k) Bonds, notes, or warrants issued under this section are declared
41 to be issued for an essential public and governmental purpose.

42 SECTION 746. IC 36-7-15.1-53, AS AMENDED BY P.L.154-2006,

1 SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2008]: Sec. 53. (a) As used in this section:

3 "Allocation area" means that part of a redevelopment project area
4 to which an allocation provision of a resolution adopted under section
5 40 of this chapter refers for purposes of distribution and allocation of
6 property taxes.

7 "Base assessed value" means:

8 (1) the net assessed value of all the property as finally determined
9 for the assessment date immediately preceding the effective date
10 of the allocation provision of the declaratory resolution, as
11 adjusted under subsection (h); plus

12 (2) to the extent that it is not included in subdivision (1), the net
13 assessed value of property that is assessed as residential property
14 under the rules of the department of local government finance, as
15 finally determined for any assessment date after the effective date
16 of the allocation provision.

17 Except as provided in section 55 of this chapter, "property taxes"
18 means taxes imposed under IC 6-1.1 on real property.

19 (b) A resolution adopted under section 40 of this chapter on or
20 before the allocation deadline determined under subsection (i) may
21 include a provision with respect to the allocation and distribution of
22 property taxes for the purposes and in the manner provided in this
23 section. A resolution previously adopted may include an allocation
24 provision by the amendment of that resolution on or before the
25 allocation deadline determined under subsection (i) in accordance with
26 the procedures required for its original adoption. A declaratory
27 resolution or an amendment that establishes an allocation provision
28 must be approved by resolution of the legislative body of the excluded
29 city and must specify an expiration date for the allocation provision.
30 **that For an allocation area established before July 1, 2008, the**
31 **expiration date** may not be more than thirty (30) years after the date
32 on which the allocation provision is established. **For an allocation**
33 **area established after June 30, 2008, the expiration date may not**
34 **be more than twenty-five (25) years after the date on which the**
35 **allocation provision is established.** However, **with respect to bonds**
36 **or other obligations that were issued before July 1, 2008, if any of**
37 **the** bonds or other obligations that were scheduled when issued to
38 mature before the specified expiration date and that are payable only
39 from allocated tax proceeds with respect to the allocation area remain
40 outstanding as of the expiration date, the allocation provision does not
41 expire until all of the bonds or other obligations are no longer
42 outstanding. The allocation provision may apply to all or part of the

1 redevelopment project area. The allocation provision must require that
 2 any property taxes subsequently levied by or for the benefit of any
 3 public body entitled to a distribution of property taxes on taxable
 4 property in the allocation area be allocated and distributed as follows:

5 (1) Except as otherwise provided in this section, the proceeds of
 6 the taxes attributable to the lesser of:

7 (A) the assessed value of the property for the assessment date
 8 with respect to which the allocation and distribution is made;
 9 or

10 (B) the base assessed value;

11 shall be allocated to and, when collected, paid into the funds of
 12 the respective taxing units.

13 (2) Except as otherwise provided in this section, property tax
 14 proceeds in excess of those described in subdivision (1) shall be
 15 allocated to the redevelopment district and, when collected, paid
 16 into a special fund for that allocation area that may be used by the
 17 redevelopment district only to do one (1) or more of the
 18 following:

19 (A) Pay the principal of and interest on any obligations
 20 payable solely from allocated tax proceeds that are incurred by
 21 the redevelopment district for the purpose of financing or
 22 refinancing the redevelopment of that allocation area.

23 (B) Establish, augment, or restore the debt service reserve for
 24 bonds payable solely or in part from allocated tax proceeds in
 25 that allocation area.

26 (C) Pay the principal of and interest on bonds payable from
 27 allocated tax proceeds in that allocation area and from the
 28 special tax levied under section 50 of this chapter.

29 (D) Pay the principal of and interest on bonds issued by the
 30 excluded city to pay for local public improvements **in that are**
 31 **physically located in or physically connected to** that
 32 allocation area.

33 (E) Pay premiums on the redemption before maturity of bonds
 34 payable solely or in part from allocated tax proceeds in that
 35 allocation area.

36 (F) Make payments on leases payable from allocated tax
 37 proceeds in that allocation area under section 46 of this
 38 chapter.

39 (G) Reimburse the excluded city for expenditures for local
 40 public improvements (which include buildings, park facilities,
 41 and other items set forth in section 45 of this chapter) **in that**
 42 **are physically located in or physically connected to** that

1 allocation area.

2 (H) Reimburse the unit for rentals paid by it for a building or
3 parking facility ~~in~~ **that is physically located in or physically**
4 **connected to** that allocation area under any lease entered into
5 under IC 36-1-10.

6 (I) Reimburse public and private entities for expenses incurred
7 in training employees of industrial facilities that are located:

8 (i) in the allocation area; and

9 (ii) on a parcel of real property that has been classified as
10 industrial property under the rules of the department of local
11 government finance.

12 However, the total amount of money spent for this purpose in
13 any year may not exceed the total amount of money in the
14 allocation fund that is attributable to property taxes paid by the
15 industrial facilities described in this clause. The
16 reimbursements under this clause must be made within three
17 (3) years after the date on which the investments that are the
18 basis for the increment financing are made.

19 The special fund may not be used for operating expenses of the
20 commission.

21 (3) Before July 15 of each year, the commission shall do the
22 following:

23 (A) Determine the amount, if any, by which ~~property taxes~~
24 ~~payable to the allocation fund in the following year the~~
25 **assessed value of the taxable property in the allocation**
26 **area for the most recent assessment date minus the base**
27 **assessed value, when multiplied by the estimated tax rate**
28 **of the allocation area**, will exceed the amount of assessed
29 value needed to provide the property taxes necessary to make,
30 when due, principal and interest payments on bonds described
31 in subdivision (2) plus the amount necessary for other
32 purposes described in subdivision (2) and subsection (g).

33 (B) ~~Notify~~ **Provide a written notice to** the county auditor, ~~of~~
34 **the fiscal body of the county or municipality that**
35 **established the department of redevelopment, and the**
36 **officers who are authorized to fix budgets, tax rates, and**
37 **tax levies under IC 6-1.1-17-5 for each of the other taxing**
38 **units that is wholly or partly located within the allocation**
39 **area. The notice must:**

40 (i) **state** the amount, if any, of excess assessed value that the
41 commission has determined may be allocated to the
42 respective taxing units in the manner prescribed in

1 subdivision (1); or
 2 **(ii) state that the commission has determined that there**
 3 **is no excess assessed value that may be allocated to the**
 4 **respective taxing units in the manner prescribed in**
 5 **subdivision (1).**

6 **The county auditor shall allocate to the respective taxing**
 7 **units the amount, if any, of excess assessed value**
 8 **determined by the commission.** The commission may not
 9 authorize an allocation to the respective taxing units under this
 10 subdivision if to do so would endanger the interests of the
 11 holders of bonds described in subdivision (2).

12 (c) For the purpose of allocating taxes levied by or for any taxing
 13 unit or units, the assessed value of taxable property in a territory in the
 14 allocation area that is annexed by any taxing unit after the effective
 15 date of the allocation provision of the resolution is the lesser of:

- 16 (1) the assessed value of the property for the assessment date with
 17 respect to which the allocation and distribution is made; or
 18 (2) the base assessed value.

19 (d) Property tax proceeds allocable to the redevelopment district
 20 under subsection (b)(2) may, subject to subsection (b)(3), be
 21 irrevocably pledged by the redevelopment district for payment as set
 22 forth in subsection (b)(2).

23 (e) Notwithstanding any other law, each assessor shall, upon
 24 petition of the commission, reassess the taxable property situated upon
 25 or in, or added to, the allocation area, effective on the next assessment
 26 date after the petition.

27 (f) Notwithstanding any other law, the assessed value of all taxable
 28 property in the allocation area, for purposes of tax limitation, property
 29 tax replacement, and formulation of the budget, tax rate, and tax levy
 30 for each political subdivision in which the property is located, is the
 31 lesser of:

- 32 (1) the assessed value of the property as valued without regard to
 33 this section; or
 34 (2) the base assessed value.

35 (g) If any part of the allocation area is located in an enterprise zone
 36 created under IC 5-28-15, the unit that designated the allocation area
 37 shall create funds as specified in this subsection. A unit that has
 38 obligations, bonds, or leases payable from allocated tax proceeds under
 39 subsection (b)(2) shall establish an allocation fund for the purposes
 40 specified in subsection (b)(2) and a special zone fund. Such a unit
 41 shall, until the end of the enterprise zone phase out period, deposit each
 42 year in the special zone fund the amount in the allocation fund derived

1 from property tax proceeds in excess of those described in subsection
2 (b)(1) from property located in the enterprise zone that exceeds the
3 amount sufficient for the purposes specified in subsection (b)(2) for the
4 year. A unit that has no obligations, bonds, or leases payable from
5 allocated tax proceeds under subsection (b)(2) shall establish a special
6 zone fund and deposit all the property tax proceeds in excess of those
7 described in subsection (b)(1) in the fund derived from property tax
8 proceeds in excess of those described in subsection (b)(1) from
9 property located in the enterprise zone. The unit that creates the special
10 zone fund shall use the fund, based on the recommendations of the
11 urban enterprise association, for one (1) or more of the following
12 purposes:

13 (1) To pay for programs in job training, job enrichment, and basic
14 skill development designed to benefit residents and employers in
15 the enterprise zone. The programs must reserve at least one-half
16 (1/2) of the enrollment in any session for residents of the
17 enterprise zone.

18 (2) To make loans and grants for the purpose of stimulating
19 business activity in the enterprise zone or providing employment
20 for enterprise zone residents in an enterprise zone. These loans
21 and grants may be made to the following:

22 (A) Businesses operating in the enterprise zone.

23 (B) Businesses that will move their operations to the enterprise
24 zone if such a loan or grant is made.

25 (3) To provide funds to carry out other purposes specified in
26 subsection (b)(2). However, where reference is made in
27 subsection (b)(2) to the allocation area, the reference refers, for
28 purposes of payments from the special zone fund, only to that part
29 of the allocation area that is also located in the enterprise zone.

30 (h) The state board of accounts and department of local government
31 finance shall make the rules and prescribe the forms and procedures
32 that they consider expedient for the implementation of this chapter.
33 After each general reassessment under IC 6-1.1-4, the department of
34 local government finance shall adjust the base assessed value one (1)
35 time to neutralize any effect of the general reassessment on the
36 property tax proceeds allocated to the redevelopment district under this
37 section. After each annual adjustment under IC 6-1.1-4-4.5, the
38 department of local government finance shall adjust the base assessed
39 value to neutralize any effect of the annual adjustment on the property
40 tax proceeds allocated to the redevelopment district under this section.
41 However, the adjustments under this subsection may not include the
42 effect of property tax abatements under IC 6-1.1-12.1, and these

1 adjustments may not produce less property tax proceeds allocable to
 2 the redevelopment district under subsection (b)(2) than would
 3 otherwise have been received if the general reassessment or annual
 4 adjustment had not occurred. The department of local government
 5 finance may prescribe procedures for county and township officials to
 6 follow to assist the department in making the adjustments.

7 (i) The allocation deadline referred to in subsection (b) is
 8 determined in the following manner:

9 (1) The initial allocation deadline is December 31, 2011.

10 (2) Subject to subdivision (3), the initial allocation deadline and
 11 subsequent allocation deadlines are automatically extended in
 12 increments of five (5) years, so that allocation deadlines
 13 subsequent to the initial allocation deadline fall on December 31,
 14 2016, and December 31 of each fifth year thereafter.

15 (3) At least one (1) year before the date of an allocation deadline
 16 determined under subdivision (2), the general assembly may enact
 17 a law that:

18 (A) terminates the automatic extension of allocation deadlines
 19 under subdivision (2); and

20 (B) specifically designates a particular date as the final
 21 allocation deadline.

22 SECTION 747. IC 36-7-15.1-57 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 57. (a) The commission
 24 may, by following the procedures set forth in sections 8, 9, and 10 of
 25 this chapter, approve a plan for and determine that a geographic area
 26 in the redevelopment district is an economic development area.
 27 Designation of an economic development area is subject to judicial
 28 review in the manner prescribed in section 11 of this chapter.

29 (b) The commission may determine that a geographic area is an
 30 economic development area if it finds that:

31 (1) the plan for the economic development area:

32 (A) promotes significant opportunities for the gainful
 33 employment of its citizens;

34 (B) attracts a major new business enterprise to the unit;

35 (C) retains or expands a significant business enterprise
 36 existing in the boundaries of the unit; or

37 (D) meets other purposes of this section and sections 28 and
 38 58 of this chapter;

39 (2) the plan for the economic development area cannot be
 40 achieved by regulatory processes or by the ordinary operation of
 41 private enterprise without resort to the powers allowed under this
 42 section and sections 28 and 58 of this chapter because of:

- 1 (A) lack of local public improvement;
 2 (B) existence of improvements or conditions that lower the
 3 value of the land below that of nearby land;
 4 (C) multiple ownership of land; or
 5 (D) other similar conditions;
 6 (3) the public health and welfare will be benefited by
 7 accomplishment of the plan for the economic development area;
 8 (4) the accomplishment of the plan for the economic development
 9 area will be of public utility and benefit as measured by:
 10 (A) attraction or retention of permanent jobs;
 11 (B) increase in the property tax base;
 12 (C) improved diversity of the economic base; or
 13 (D) other similar public benefits; and
 14 (5) the plan for the economic development area conforms to the
 15 comprehensive plan of development for the county.

16 (c) The determination that a geographic area is an economic
 17 development area must be approved by the excluded city legislative
 18 body. The approval may be given either before or after judicial review
 19 is requested. The requirement that the excluded city legislative body
 20 approve economic development areas does not prevent the commission
 21 from amending the plan for the economic development area. However,
 22 the enlargement of any boundary in the economic development area
 23 must be approved by the excluded city legislative body, **and a**
 24 **boundary may not be enlarged unless:**

- 25 **(1) the existing area does not generate sufficient revenue to**
 26 **meet the financial obligations of the original project; or**
 27 **(2) the Indiana economic development corporation has, in the**
 28 **manner provided by section 8(f) of this chapter, made a**
 29 **finding approving the enlargement of the boundary.**

30 SECTION 748. IC 36-7-15.1-58, AS AMENDED BY P.L.185-2005,
 31 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2008]: Sec. 58. (a) All of the rights, powers, privileges, and
 33 immunities that may be exercised by a commission in a redevelopment
 34 project area may be exercised by a commission in an economic
 35 development area, subject to the following:

- 36 (1) The content and manner of exercise of these rights, powers,
 37 privileges, and immunities shall be determined by the purposes
 38 and nature of an economic development area.
 39 (2) Real property (or interests in real property) relative to which
 40 action is taken under this section or section 28 or 57 of this
 41 chapter in an economic development area is not required to meet
 42 the conditions described in IC 36-7-1-3.

1 (3) Bonds may be issued in accordance with section 45 of this
 2 chapter to defray expenses of carrying out activities under this
 3 chapter in economic development areas **if no other revenue**
 4 **sources are available for this purpose.**

5 (4) The tax exemptions set forth in section 52 of this chapter are
 6 applicable in economic development areas.

7 (5) An economic development area may be an allocation area for
 8 the purposes of distribution and allocation of property taxes.
 9 However, a declaratory resolution or an amendment that
 10 establishes an allocation area must be approved by resolution of
 11 the legislative body of the excluded city.

12 (6) The excluded city legislative body may not use its power of
 13 eminent domain under section 39 of this chapter to carry out
 14 activities under this chapter in economic development areas.

15 (b) The content and manner of discharge of duties set forth in
 16 section 39(a) of this chapter shall be determined by the purposes and
 17 nature of an economic development area.

18 SECTION 749. IC 36-7-15.3-15 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 15. (a) The authority
 20 may issue bonds for the purpose of obtaining money to pay the cost of:

- 21 (1) acquiring property;
 22 (2) constructing, improving, reconstructing, or renovating one (1)
 23 or more local public improvements; or
 24 (3) funding or refunding bonds issued under this chapter or
 25 IC 36-7-15.1.

26 (b) The bonds are payable solely from the lease rentals from the
 27 lease of the local public improvement for which the bonds were issued,
 28 insurance proceeds, and any other funds pledged or available.

29 (c) The bonds shall be authorized by a resolution of the board.

30 (d) The terms and form of the bonds shall either be set out in the
 31 resolution or in a form of trust indenture approved by the resolution.

32 (e) The bonds shall mature within:

- 33 (1) fifty (50) years, **for bonds issued before July 1, 2008; or**
 34 (2) **twenty-five (25) years, for bonds issued after June 30,**
 35 **2008.**

36 (f) The board shall sell the bonds at public or private sale upon such
 37 terms as determined by the board.

38 (g) All money received from any bonds issued under this chapter
 39 shall be applied solely to the payment of the cost of the acquisition or
 40 construction, or both, of local public improvements, or the cost of
 41 refunding or refinancing outstanding bonds, for which the bonds are
 42 issued. The cost may include:

- 1 (1) planning and development of the facility and all buildings,
- 2 facilities, structures, and improvements related to it;
- 3 (2) acquisition of a site and clearing and preparing the site for
- 4 construction;
- 5 (3) equipment, facilities, structures, and improvements that are
- 6 necessary or desirable to make the local public improvements ~~that~~
- 7 ~~are necessary or desirable to make the local public improvements~~
- 8 suitable for use and operations;
- 9 (4) architectural, engineering, consultant, and attorney fees;
- 10 (5) incidental expenses in connection with the issuance and sale
- 11 of bonds;
- 12 (6) reserves for principal and interest;
- 13 (7) interest during construction and for a period thereafter
- 14 determined by the board, but in no event to exceed five (5) years;
- 15 (8) financial advisory fees;
- 16 (9) insurance during construction;
- 17 (10) municipal bond insurance, debt service reserve insurance,
- 18 letters of credit, or other credit enhancement; and
- 19 (11) in the case of refunding or refinancing, payment of the
- 20 principal of, redemption premiums, if any, and interest on, the
- 21 bonds being refunded or refinanced.

22 SECTION 750. IC 36-7-26-25 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 25. The board
 24 may not approve a resolution under section 16 of this chapter until the
 25 board has satisfied itself that the city in which the proposed district will
 26 be established has maximized the use of tax increment financing under
 27 IC 36-7-14 or IC 36-7-14.5 to finance public improvements within or
 28 serving the proposed district. ~~subject to the granting of an additional~~
 29 ~~credit under IC 36-7-14-39.5.~~ The city may not grant property tax
 30 abatements to the taxpayers within the proposed district or a district,
 31 except that the board may approve a resolution under section 16 of this
 32 chapter in the proposed district or a district in which real property tax
 33 abatement not to exceed three (3) years has been granted.

34 SECTION 751. IC 36-7-30-18, AS AMENDED BY P.L.219-2007,
 35 SECTION 134, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE JULY 1, 2008]: Sec. 18. (a) In addition to other methods
 37 of raising money for property acquisition, redevelopment, or economic
 38 development activities in or directly serving or benefiting a military
 39 base reuse area, and in anticipation of the taxes allocated under section
 40 25 of this chapter, other revenues of the district, or any combination of
 41 these sources, the reuse authority may by resolution issue the bonds of
 42 the special taxing district in the name of the unit.

1 (b) The reuse authority shall certify a copy of the resolution
2 authorizing the bonds to the municipal or county fiscal officer, who
3 shall then prepare the bonds. The seal of the unit must be impressed on
4 the bonds, or a facsimile of the seal must be printed on the bonds.

5 (c) The bonds must be executed by the appropriate officer of the
6 unit and attested by the unit's fiscal officer.

7 (d) The bonds are exempt from taxation for all purposes.

8 (e) Bonds issued under this section may be sold at public sale in
9 accordance with IC 5-1-11 or at a negotiated sale.

10 (f) The bonds are not a corporate obligation of the unit but are an
11 indebtedness of the taxing district. The bonds and interest are payable,
12 as set forth in the bond resolution of the reuse authority, from any of
13 the following:

14 (1) The tax proceeds allocated under section 25 of this chapter.

15 (2) Other revenues available to the reuse authority.

16 (3) A combination of the methods stated in subdivisions (1)
17 through (2).

18 If the bonds are payable solely from the tax proceeds allocated under
19 section 25 of this chapter, other revenues of the reuse authority, or any
20 combination of these sources, the bonds may be issued in any amount
21 without limitation.

22 (g) Proceeds from the sale of bonds may be used to pay the cost of
23 interest on the bonds for a period not to exceed five (5) years after the
24 date of issuance.

25 (h) All laws relating to:

26 (1) the filing of petitions requesting the issuance of bonds; and

27 (2) the right of:

28 (A) taxpayers and voters to remonstrate against the issuance of
29 bonds **under IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2; or**

30 (B) voters to vote on the proposed issuance of bonds under
31 **IC 6-1.1-20-3.5 and IC 6-1.1-20-3.6;**

32 ~~do not~~ apply to bonds issued under this chapter.

33 (i) If a debt service reserve is created from the proceeds of bonds,
34 the debt service reserve may be used to pay principal and interest on
35 the bonds as provided in the bond resolution.

36 (j) If bonds are issued under this chapter that are payable solely or
37 in part from revenues of the reuse authority, the reuse authority may
38 adopt a resolution or trust indenture or enter into covenants as is
39 customary in the issuance of revenue bonds. The resolution or trust
40 indenture may pledge or assign revenues of the reuse authority and
41 properties becoming available to the reuse authority under this chapter.
42 The resolution or trust indenture may also contain provisions for

1 protecting and enforcing the rights and remedies of the bond owners as
2 may be reasonable and proper and not in violation of law, including a
3 covenant setting forth the duties of the reuse authority. The reuse
4 authority may establish fees and charges for the use of any project and
5 covenant with the owners of any bonds to set the fees and charges at a
6 rate sufficient to protect the interest of the owners of the bonds.
7 Revenue bonds issued by the reuse authority that are payable solely
8 from revenues of the reuse authority shall contain a statement to that
9 effect in the form of the bond.

10 SECTION 752. IC 36-7-30-25, AS AMENDED BY P.L.154-2006,
11 SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JANUARY 1, 2009]: Sec. 25. (a) The following definitions apply
13 throughout this section:

14 (1) "Allocation area" means that part of a military base reuse area
15 to which an allocation provision of a declaratory resolution
16 adopted under section 10 of this chapter refers for purposes of
17 distribution and allocation of property taxes.

18 (2) "Base assessed value" means:

19 (A) the net assessed value of all the property as finally
20 determined for the assessment date immediately preceding the
21 adoption date of the allocation provision of the declaratory
22 resolution, as adjusted under subsection (h); plus

23 (B) to the extent that it is not included in clause (A) or (C), the
24 net assessed value of any and all parcels or classes of parcels
25 identified as part of the base assessed value in the declaratory
26 resolution or an amendment thereto, as finally determined for
27 any subsequent assessment date; plus

28 (C) to the extent that it is not included in clause (A) or (B), the
29 net assessed value of property that is assessed as residential
30 property under the rules of the department of local government
31 finance, as finally determined for any assessment date after the
32 effective date of the allocation provision.

33 Clause (C) applies only to allocation areas established in a
34 military reuse area after June 30, 1997, and to the part of an
35 allocation area that was established before June 30, 1997, and that
36 is added to an existing allocation area after June 30, 1997.

37 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
38 property.

39 (b) A declaratory resolution adopted under section 10 of this chapter
40 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
41 resolutions adopted under IC 36-7-14-15 may include a provision with
42 respect to the allocation and distribution of property taxes for the

1 purposes and in the manner provided in this section. A declaratory
2 resolution previously adopted may include an allocation provision by
3 the amendment of that declaratory resolution in accordance with the
4 procedures set forth in section 13 of this chapter. The allocation
5 provision may apply to all or part of the military base reuse area. The
6 allocation provision must require that any property taxes subsequently
7 levied by or for the benefit of any public body entitled to a distribution
8 of property taxes on taxable property in the allocation area be allocated
9 and distributed as follows:

10 (1) Except as otherwise provided in this section, the proceeds of
11 the taxes attributable to the lesser of:

12 (A) the assessed value of the property for the assessment date
13 with respect to which the allocation and distribution is made;

14 or

15 (B) the base assessed value;

16 shall be allocated to and, when collected, paid into the funds of
17 the respective taxing units.

18 (2) Except as otherwise provided in this section, property tax
19 proceeds in excess of those described in subdivision (1) shall be
20 allocated to the military base reuse district and, when collected,
21 paid into an allocation fund for that allocation area that may be
22 used by the military base reuse district and only to do one (1) or
23 more of the following:

24 (A) Pay the principal of and interest and redemption premium
25 on any obligations incurred by the military base reuse district
26 or any other entity for the purpose of financing or refinancing
27 military base reuse activities in or directly serving or
28 benefiting that allocation area.

29 (B) Establish, augment, or restore the debt service reserve for
30 bonds payable solely or in part from allocated tax proceeds in
31 that allocation area or from other revenues of the reuse
32 authority, including lease rental revenues.

33 (C) Make payments on leases payable solely or in part from
34 allocated tax proceeds in that allocation area.

35 (D) Reimburse any other governmental body for expenditures
36 made for local public improvements (or structures) in or
37 directly serving or benefiting that allocation area.

38 (E) **For property taxes first due and payable before 2009,**
39 pay all or a part of a property tax replacement credit to
40 taxpayers in an allocation area as determined by the reuse
41 authority. This credit equals the amount determined under the
42 following STEPS for each taxpayer in a taxing district (as

1 defined in IC 6-1.1-1-20) that contains all or part of the
2 allocation area:

3 STEP ONE: Determine that part of the sum of the amounts
4 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
5 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
6 IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

7 STEP TWO: Divide:

8 (i) that part of each county's eligible property tax
9 replacement amount (as defined in IC 6-1.1-21-2) for that
10 year as determined under IC 6-1.1-21-4 that is attributable
11 to the taxing district; by

12 (ii) the STEP ONE sum.

13 STEP THREE: Multiply:

14 (i) the STEP TWO quotient; times

15 (ii) the total amount of the taxpayer's taxes (as defined in
16 IC 6-1.1-21-2) levied in the taxing district that have been
17 allocated during that year to an allocation fund under this
18 section.

19 If not all the taxpayers in an allocation area receive the credit
20 in full, each taxpayer in the allocation area is entitled to
21 receive the same proportion of the credit. A taxpayer may not
22 receive a credit under this section and a credit under section
23 27 of this chapter (**before its repeal**) in the same year.

24 (F) Pay expenses incurred by the reuse authority for local
25 public improvements or structures that were in the allocation
26 area or directly serving or benefiting the allocation area.

27 (G) Reimburse public and private entities for expenses
28 incurred in training employees of industrial facilities that are
29 located:

30 (i) in the allocation area; and

31 (ii) on a parcel of real property that has been classified as
32 industrial property under the rules of the department of local
33 government finance.

34 However, the total amount of money spent for this purpose in
35 any year may not exceed the total amount of money in the
36 allocation fund that is attributable to property taxes paid by the
37 industrial facilities described in this clause. The
38 reimbursements under this clause must be made not more than
39 three (3) years after the date on which the investments that are
40 the basis for the increment financing are made.

41 The allocation fund may not be used for operating expenses of the
42 reuse authority.

1 (3) Except as provided in subsection (g), before July 15 of each
 2 year the reuse authority shall do the following:

3 (A) Determine the amount, if any, by which property taxes
 4 payable to the allocation fund in the following year will exceed
 5 the amount of property taxes necessary to make, when due,
 6 principal and interest payments on bonds described in
 7 subdivision (2) plus the amount necessary for other purposes
 8 described in subdivision (2).

9 (B) ~~Notify~~ **Provide a written notice to** the county auditor, ~~of~~
 10 **the fiscal body of the unit that established the reuse**
 11 **authority, and the officers who are authorized to fix**
 12 **budgets, tax rates, and tax levies under IC 6-1.1-17-5 for**
 13 **each of the other taxing units that is wholly or partly**
 14 **located within the allocation area. The notice must:**

15 (i) ~~state~~ the amount, if any, of ~~the amount of~~ excess property
 16 taxes that the reuse authority has determined may be paid to
 17 the respective taxing units in the manner prescribed in
 18 subdivision (1); or

19 (ii) **state that the reuse authority has determined that**
 20 **there are no excess property tax proceeds that may be**
 21 **allocated to the respective taxing units in the manner**
 22 **prescribed in subdivision (1).**

23 **The county auditor shall allocate to the respective taxing**
 24 **units the amount, if any, of excess property tax proceeds**
 25 **determined by the reuse authority.** The reuse authority may
 26 not authorize a payment to the respective taxing units under
 27 this subdivision if to do so would endanger the interest of the
 28 holders of bonds described in subdivision (2) or lessors under
 29 section 19 of this chapter. Property taxes received by a taxing
 30 unit under this subdivision **before 2009** are eligible for the
 31 property tax replacement credit provided under IC 6-1.1-21.

32 (c) For the purpose of allocating taxes levied by or for any taxing
 33 unit or units, the assessed value of taxable property in a territory in the
 34 allocation area that is annexed by a taxing unit after the effective date
 35 of the allocation provision of the declaratory resolution is the lesser of:

36 (1) the assessed value of the property for the assessment date with
 37 respect to which the allocation and distribution is made; or

38 (2) the base assessed value.

39 (d) Property tax proceeds allocable to the military base reuse district
 40 under subsection (b)(2) may, subject to subsection (b)(3), be
 41 irrevocably pledged by the military base reuse district for payment as
 42 set forth in subsection (b)(2).

1 (e) Notwithstanding any other law, each assessor shall, upon
2 petition of the reuse authority, reassess the taxable property situated
3 upon or in or added to the allocation area, effective on the next
4 assessment date after the petition.

5 (f) Notwithstanding any other law, the assessed value of all taxable
6 property in the allocation area, for purposes of tax limitation, property
7 tax replacement, and the making of the budget, tax rate, and tax levy
8 for each political subdivision in which the property is located is the
9 lesser of:

10 (1) the assessed value of the property as valued without regard to
11 this section; or

12 (2) the base assessed value.

13 (g) If any part of the allocation area is located in an enterprise zone
14 created under IC 5-28-15, the unit that designated the allocation area
15 shall create funds as specified in this subsection. A unit that has
16 obligations, bonds, or leases payable from allocated tax proceeds under
17 subsection (b)(2) shall establish an allocation fund for the purposes
18 specified in subsection (b)(2) and a special zone fund. Such a unit
19 shall, until the end of the enterprise zone phase out period, deposit each
20 year in the special zone fund any amount in the allocation fund derived
21 from property tax proceeds in excess of those described in subsection
22 (b)(1) from property located in the enterprise zone that exceeds the
23 amount sufficient for the purposes specified in subsection (b)(2) for the
24 year. The amount sufficient for purposes specified in subsection (b)(2)
25 for the year shall be determined based on the pro rata part of such
26 current property tax proceeds from the part of the enterprise zone that
27 is within the allocation area as compared to all such current property
28 tax proceeds derived from the allocation area. A unit that does not have
29 obligations, bonds, or leases payable from allocated tax proceeds under
30 subsection (b)(2) shall establish a special zone fund and deposit all the
31 property tax proceeds in excess of those described in subsection (b)(1)
32 that are derived from property in the enterprise zone in the fund. The
33 unit that creates the special zone fund shall use the fund (based on the
34 recommendations of the urban enterprise association) for programs in
35 job training, job enrichment, and basic skill development that are
36 designed to benefit residents and employers in the enterprise zone or
37 other purposes specified in subsection (b)(2), except that where
38 reference is made in subsection (b)(2) to allocation area it shall refer
39 for purposes of payments from the special zone fund only to that part
40 of the allocation area that is also located in the enterprise zone. The
41 programs shall reserve at least one-half (1/2) of their enrollment in any
42 session for residents of the enterprise zone.

1 (h) After each general reassessment under IC 6-1.1-4, the
 2 department of local government finance shall adjust the base assessed
 3 value one (1) time to neutralize any effect of the general reassessment
 4 on the property tax proceeds allocated to the military base reuse district
 5 under this section. After each annual adjustment under IC 6-1.1-4-4.5,
 6 the department of local government finance shall adjust the base
 7 assessed value to neutralize any effect of the annual adjustment on the
 8 property tax proceeds allocated to the military base reuse district under
 9 this section. However, the adjustments under this subsection may not
 10 include the effect of property tax abatements under IC 6-1.1-12.1, and
 11 these adjustments may not produce less property tax proceeds allocable
 12 to the military base reuse district under subsection (b)(2) than would
 13 otherwise have been received if the general reassessment or annual
 14 adjustment had not occurred. The department of local government
 15 finance may prescribe procedures for county and township officials to
 16 follow to assist the department in making the adjustments.

17 SECTION 753. IC 36-7-30-31, AS AMENDED BY P.L.219-2007,
 18 SECTION 136, IS AMENDED TO READ AS FOLLOWS
 19 [EFFECTIVE JULY 1, 2008]: Sec. 31. (a) As used in this section, the
 20 following terms have the meanings set forth in IC 6-1.1-1:

- 21 (1) Assessed value.
- 22 (2) Owner.
- 23 (3) Person.
- 24 (4) Personal property.
- 25 (5) Property taxation.
- 26 (6) Tangible property.
- 27 (7) Township assessor.

28 (b) As used in this section, "PILOTS" means payments in lieu of
 29 taxes.

30 (c) The general assembly finds the following:

- 31 (1) That the closing of a military base in a unit results in an
 32 increased cost to the unit of providing governmental services to
 33 the area formerly occupied by the military base.
- 34 (2) That military base property held by a reuse authority is exempt
 35 from property taxation, resulting in the lack of an adequate tax
 36 base to support the increased governmental services.
- 37 (3) That to restore this tax base and provide a proper allocation of
 38 the cost of providing governmental services the fiscal body of the
 39 unit should be authorized to collect PILOTS from the reuse
 40 authority.
- 41 (4) That the appropriate maximum PILOTS would be the amount
 42 of the property taxes that would be paid if the tangible property

1 were not exempt.

2 (d) The fiscal body of the unit may adopt an ordinance to require a
3 reuse authority to pay PILOTS at times set forth in the ordinance with
4 respect to tangible property of which the reuse authority is the owner
5 or the lessee and that is exempt from property taxes. The ordinance
6 remains in full force and effect until repealed or modified by the fiscal
7 body.

8 (e) The PILOTS must be calculated so that the PILOTS do not
9 exceed the amount of property taxes that would have been levied by the
10 fiscal body for the unit upon the tangible property described in
11 subsection (d) if the property were not exempt from property taxation.

12 (f) PILOTS shall be imposed as are property taxes and shall be
13 based on the assessed value of the tangible property described in
14 subsection (d). Except as provided in subsection (j), the township
15 **assessors assessor, or the county assessor if there is no township**
16 **assessor for the township**, shall assess the tangible property described
17 in subsection (d) as though the property were not exempt. The reuse
18 authority shall report the value of personal property in a manner
19 consistent with IC 6-1.1-3.

20 (g) Notwithstanding any other law, a reuse authority is authorized
21 to pay PILOTS imposed under this section from any legally available
22 source of revenues. The reuse authority may consider these payments
23 to be operating expenses for all purposes.

24 (h) PILOTS shall be deposited in the general fund of the unit and
25 used for any purpose for which the general fund may be used.

26 (i) PILOTS shall be due as set forth in the ordinance and bear
27 interest, if unpaid, as in the case of other taxes on property. PILOTS
28 shall be treated in the same manner as property taxes for purposes of
29 all procedural and substantive provisions of law.

30 (j) If the duties of the township assessor have been transferred to the
31 county assessor as described in IC 6-1.1-1-24, a reference to the
32 township assessor in this section is considered to be a reference to the
33 county assessor.

34 SECTION 754. IC 36-7-30.5-23, AS AMENDED BY P.L.219-2007,
35 SECTION 137, IS AMENDED TO READ AS FOLLOWS
36 [EFFECTIVE JULY 1, 2008]: Sec. 23. (a) In addition to other methods
37 of raising money for property acquisition, redevelopment, reuse, or
38 economic development activities in or directly serving or ~~benefitting~~
39 **benefiting** a military base development area, and in anticipation of the
40 taxes allocated under section 30 of this chapter, other revenues of the
41 district, or any combination of these sources, the development authority
42 may by resolution issue the bonds of the development authority.

1 (b) The secretary-treasurer of the development authority shall
 2 prepare the bonds. The seal of the development authority must be
 3 impressed on the bonds, or a facsimile of the seal must be printed on
 4 the bonds.

5 (c) The bonds must be executed by the president of the development
 6 authority and attested by the secretary-treasurer.

7 (d) The bonds are exempt from taxation for all purposes.

8 (e) Bonds issued under this section may be sold at public sale in
 9 accordance with IC 5-1-11 or at a negotiated sale.

10 (f) The bonds are not a corporate obligation of a unit but are an
 11 indebtedness of only the development authority. The bonds and interest
 12 are payable, as set forth in the bond resolution of the development
 13 authority, from any of the following:

14 (1) The tax proceeds allocated under section 30 of this chapter.

15 (2) Other revenues available to the development authority.

16 (3) A combination of the methods stated in subdivisions (1)
 17 through (2).

18 The bonds issued under this section may be issued in any amount
 19 without limitation.

20 (g) Proceeds from the sale of bonds may be used to pay the cost of
 21 interest on the bonds for a period not to exceed five (5) years after the
 22 date of issuance.

23 (h) All laws relating to:

24 (1) the filing of petitions requesting the issuance of bonds; and

25 (2) the right of:

26 (A) taxpayers and voters to remonstrate against the issuance of
 27 bonds **under IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2; or**

28 (B) voters to vote on the proposed issuance of bonds under
 29 **IC 6-1.1-20-3.5 and IC 6-1.1-20-3.6;**

30 ~~do not~~ apply to bonds issued under this chapter.

31 (i) If a debt service reserve is created from the proceeds of bonds,
 32 the debt service reserve may be used to pay principal and interest on
 33 the bonds as provided in the bond resolution.

34 (j) If bonds are issued under this chapter that are payable solely or
 35 in part from revenues of the development authority, the development
 36 authority may adopt a resolution or trust indenture or enter into
 37 covenants as is customary in the issuance of revenue bonds. The
 38 resolution or trust indenture may pledge or assign revenues of the
 39 development authority and properties becoming available to the
 40 development authority under this chapter. The resolution or trust
 41 indenture may also contain provisions for protecting and enforcing the
 42 rights and remedies of the bond owners as may be reasonable and

1 proper and not in violation of law, including a covenant setting forth
 2 the duties of the development authority. The development authority
 3 may establish fees and charges for the use of any project and covenant
 4 with the owners of any bonds to set the fees and charges at a rate
 5 sufficient to protect the interest of the owners of the bonds. Revenue
 6 bonds issued by the development authority that are payable solely from
 7 revenues of the development authority shall contain a statement to that
 8 effect in the form of the bond.

9 SECTION 755. IC 36-7-30.5-30, AS AMENDED BY P.L.154-2006,
 10 SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JANUARY 1, 2009]: Sec. 30. (a) The following definitions apply
 12 throughout this section:

13 (1) "Allocation area" means that part of a military base
 14 development area to which an allocation provision of a
 15 declaratory resolution adopted under section 16 of this chapter
 16 refers for purposes of distribution and allocation of property taxes.

17 (2) "Base assessed value" means:

18 (A) the net assessed value of all the property as finally
 19 determined for the assessment date immediately preceding the
 20 adoption date of the allocation provision of the declaratory
 21 resolution, as adjusted under subsection (h); plus

22 (B) to the extent that it is not included in clause (A) or (C), the
 23 net assessed value of any and all parcels or classes of parcels
 24 identified as part of the base assessed value in the declaratory
 25 resolution or an amendment to the declaratory resolution, as
 26 finally determined for any subsequent assessment date; plus
 27 (C) to the extent that it is not included in clause (A) or (B), the
 28 net assessed value of property that is assessed as residential
 29 property under the rules of the department of local government
 30 finance, as finally determined for any assessment date after the
 31 effective date of the allocation provision.

32 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
 33 property.

34 (b) A declaratory resolution adopted under section 16 of this chapter
 35 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
 36 resolutions adopted under IC 36-7-14-15 may include a provision with
 37 respect to the allocation and distribution of property taxes for the
 38 purposes and in the manner provided in this section. A declaratory
 39 resolution previously adopted may include an allocation provision by
 40 the amendment of that declaratory resolution in accordance with the
 41 procedures set forth in section 18 of this chapter. The allocation
 42 provision may apply to all or part of the military base development

1 area. The allocation provision must require that any property taxes
 2 subsequently levied by or for the benefit of any public body entitled to
 3 a distribution of property taxes on taxable property in the allocation
 4 area be allocated and distributed as follows:

5 (1) Except as otherwise provided in this section, the proceeds of
 6 the taxes attributable to the lesser of:

7 (A) the assessed value of the property for the assessment date
 8 with respect to which the allocation and distribution is made;
 9 or

10 (B) the base assessed value;

11 shall be allocated to and, when collected, paid into the funds of
 12 the respective taxing units.

13 (2) Except as otherwise provided in this section, property tax
 14 proceeds in excess of those described in subdivision (1) shall be
 15 allocated to the development authority and, when collected, paid
 16 into an allocation fund for that allocation area that may be used by
 17 the development authority and only to do one (1) or more of the
 18 following:

19 (A) Pay the principal of and interest and redemption premium
 20 on any obligations incurred by the development authority or
 21 any other entity for the purpose of financing or refinancing
 22 military base development or reuse activities in or directly
 23 serving or benefitting that allocation area.

24 (B) Establish, augment, or restore the debt service reserve for
 25 bonds payable solely or in part from allocated tax proceeds in
 26 that allocation area or from other revenues of the development
 27 authority, including lease rental revenues.

28 (C) Make payments on leases payable solely or in part from
 29 allocated tax proceeds in that allocation area.

30 (D) Reimburse any other governmental body for expenditures
 31 made for local public improvements (or structures) in or
 32 directly serving or benefitting that allocation area.

33 (E) **For property taxes first due and payable before 2009,**
 34 pay all or a part of a property tax replacement credit to
 35 taxpayers in an allocation area as determined by the
 36 development authority. This credit equals the amount
 37 determined under the following STEPS for each taxpayer in a
 38 taxing district (as defined in IC 6-1.1-1-20) that contains all or
 39 part of the allocation area:

40 STEP ONE: Determine that part of the sum of the amounts
 41 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
 42 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and

- 1 IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.
- 2 STEP TWO: Divide:
- 3 (i) that part of each county's eligible property tax
4 replacement amount (as defined in IC 6-1.1-21-2) for that
5 year as determined under IC 6-1.1-21-4 that is attributable
6 to the taxing district; by
- 7 (ii) the STEP ONE sum.
- 8 STEP THREE: Multiply:
- 9 (i) the STEP TWO quotient; by
- 10 (ii) the total amount of the taxpayer's taxes (as defined in
11 IC 6-1.1-21-2) levied in the taxing district that have been
12 allocated during that year to an allocation fund under this
13 section.
- 14 If not all the taxpayers in an allocation area receive the credit
15 in full, each taxpayer in the allocation area is entitled to
16 receive the same proportion of the credit. A taxpayer may not
17 receive a credit under this section and a credit under section
18 32 of this chapter (**before its repeal**) in the same year.
- 19 (F) Pay expenses incurred by the development authority for
20 local public improvements or structures that were in the
21 allocation area or directly serving or benefitting the allocation
22 area.
- 23 (G) Reimburse public and private entities for expenses
24 incurred in training employees of industrial facilities that are
25 located:
- 26 (i) in the allocation area; and
- 27 (ii) on a parcel of real property that has been classified as
28 industrial property under the rules of the department of local
29 government finance.
- 30 However, the total amount of money spent for this purpose in
31 any year may not exceed the total amount of money in the
32 allocation fund that is attributable to property taxes paid by the
33 industrial facilities described in this clause. The
34 reimbursements under this clause must be made not more than
35 three (3) years after the date on which the investments that are
36 the basis for the increment financing are made.
- 37 The allocation fund may not be used for operating expenses of the
38 development authority.
- 39 (3) Except as provided in subsection (g), before July 15 of each
40 year the development authority shall do the following:
- 41 (A) Determine the amount, if any, by which property taxes
42 payable to the allocation fund in the following year will exceed

1 the amount of property taxes necessary to make, when due,
 2 principal and interest payments on bonds described in
 3 subdivision (2) plus the amount necessary for other purposes
 4 described in subdivision (2).

5 ~~(B) Notify~~ **Provide a written notice to** the appropriate county
 6 ~~auditor of auditors and the fiscal bodies and other officers~~
 7 **who are authorized to fix budgets, tax rates, and tax levies**
 8 **under IC 6-1.1-17-5 for each of the other taxing units that**
 9 **is wholly or partly located within the allocation area. The**
 10 **notice must:**

11 **(i) state** the amount, if any, of the ~~amount of~~ excess property
 12 taxes that the development authority has determined may be
 13 paid to the respective taxing units in the manner prescribed
 14 in subdivision (1); **or**

15 **(ii) state that the development authority has determined**
 16 **that there is no excess assessed value that may be**
 17 **allocated to the respective taxing units in the manner**
 18 **prescribed in subdivision (1).**

19 **The county auditors shall allocate to the respective taxing**
 20 **units the amount, if any, of excess assessed value**
 21 **determined by the development authority.** The development
 22 authority may not authorize a payment to the respective taxing
 23 units under this subdivision if to do so would endanger the
 24 interest of the holders of bonds described in subdivision (2) or
 25 lessors under section 24 of this chapter. Property taxes
 26 received by a taxing unit under this subdivision **before 2009**
 27 are eligible for the property tax replacement credit provided
 28 under IC 6-1.1-21.

29 (c) For the purpose of allocating taxes levied by or for any taxing
 30 unit or units, the assessed value of taxable property in a territory in the
 31 allocation area that is annexed by a taxing unit after the effective date
 32 of the allocation provision of the declaratory resolution is the lesser of:

33 (1) the assessed value of the property for the assessment date with
 34 respect to which the allocation and distribution is made; or

35 (2) the base assessed value.

36 (d) Property tax proceeds allocable to the military base development
 37 district under subsection (b)(2) may, subject to subsection (b)(3), be
 38 irrevocably pledged by the military base development district for
 39 payment as set forth in subsection (b)(2).

40 (e) Notwithstanding any other law, each assessor shall, upon
 41 petition of the development authority, reassess the taxable property
 42 situated upon or in or added to the allocation area, effective on the next

1 assessment date after the petition.

2 (f) Notwithstanding any other law, the assessed value of all taxable
3 property in the allocation area, for purposes of tax limitation, property
4 tax replacement, and the making of the budget, tax rate, and tax levy
5 for each political subdivision in which the property is located is the
6 lesser of:

7 (1) the assessed value of the property as valued without regard to
8 this section; or

9 (2) the base assessed value.

10 (g) If any part of the allocation area is located in an enterprise zone
11 created under IC 5-28-15, the development authority shall create funds
12 as specified in this subsection. A development authority that has
13 obligations, bonds, or leases payable from allocated tax proceeds under
14 subsection (b)(2) shall establish an allocation fund for the purposes
15 specified in subsection (b)(2) and a special zone fund. The
16 development authority shall, until the end of the enterprise zone phase
17 out period, deposit each year in the special zone fund any amount in the
18 allocation fund derived from property tax proceeds in excess of those
19 described in subsection (b)(1) from property located in the enterprise
20 zone that exceeds the amount sufficient for the purposes specified in
21 subsection (b)(2) for the year. The amount sufficient for purposes
22 specified in subsection (b)(2) for the year shall be determined based on
23 the pro rata part of such current property tax proceeds from the part of
24 the enterprise zone that is within the allocation area as compared to all
25 such current property tax proceeds derived from the allocation area. A
26 development authority that does not have obligations, bonds, or leases
27 payable from allocated tax proceeds under subsection (b)(2) shall
28 establish a special zone fund and deposit all the property tax proceeds
29 in excess of those described in subsection (b)(1) that are derived from
30 property in the enterprise zone in the fund. The development authority
31 that creates the special zone fund shall use the fund (based on the
32 recommendations of the urban enterprise association) for programs in
33 job training, job enrichment, and basic skill development that are
34 designed to benefit residents and employers in the enterprise zone or
35 for other purposes specified in subsection (b)(2), except that where
36 reference is made in subsection (b)(2) to an allocation area it shall refer
37 for purposes of payments from the special zone fund only to that part
38 of the allocation area that is also located in the enterprise zone. The
39 programs shall reserve at least one-half (1/2) of their enrollment in any
40 session for residents of the enterprise zone.

41 (h) After each general reassessment under IC 6-1.1-4, the
42 department of local government finance shall adjust the base assessed

1 value one (1) time to neutralize any effect of the general reassessment
 2 on the property tax proceeds allocated to the military base development
 3 district under this section. After each annual adjustment under
 4 IC 6-1.1-4-4.5, the department of local government finance shall adjust
 5 the base assessed value to neutralize any effect of the annual
 6 adjustment on the property tax proceeds allocated to the military base
 7 development district under this section. However, the adjustments
 8 under this subsection may not include the effect of property tax
 9 abatements under IC 6-1.1-12.1, and these adjustments may not
 10 produce less property tax proceeds allocable to the military base
 11 development district under subsection (b)(2) than would otherwise
 12 have been received if the general reassessment or annual adjustment
 13 had not occurred. The department of local government finance may
 14 prescribe procedures for county and township officials to follow to
 15 assist the department in making the adjustments.

16 SECTION 756. IC 36-7-30.5-34, AS AMENDED BY P.L.219-2007,
 17 SECTION 139, IS AMENDED TO READ AS FOLLOWS
 18 [EFFECTIVE JULY 1, 2008]: Sec. 34. (a) As used in this section, the
 19 following terms have the meanings set forth in IC 6-1.1-1:

- 20 (1) Assessed value.
- 21 (2) Owner.
- 22 (3) Person.
- 23 (4) Personal property.
- 24 (5) Property taxation.
- 25 (6) Tangible property.
- 26 (7) Township assessor.

27 (b) As used in this section, "PILOTS" means payments in lieu of
 28 taxes.

29 (c) The general assembly finds the following:

- 30 (1) That the closing of a military base in a unit results in an
 31 increased cost to the unit of providing governmental services to
 32 the area formerly occupied by the military base.
- 33 (2) That military base property held by a development authority
 34 is exempt from property taxation, resulting in the lack of an
 35 adequate tax base to support the increased governmental services.
- 36 (3) That to restore this tax base and provide a proper allocation of
 37 the cost of providing governmental services the fiscal body of the
 38 unit should be authorized to collect PILOTS from the
 39 development authority.
- 40 (4) That the appropriate maximum PILOTS would be the amount
 41 of the property taxes that would be paid if the tangible property
 42 were not exempt.

1 (d) The fiscal body of the unit may adopt an ordinance to require a
 2 development authority to pay PILOTS at times set forth in the
 3 ordinance with respect to tangible property of which the development
 4 authority is the owner or the lessee and that is exempt from property
 5 taxes. The ordinance remains in full force and effect until repealed or
 6 modified by the fiscal body.

7 (e) The PILOTS must be calculated so that the PILOTS do not
 8 exceed the amount of property taxes that would have been levied by the
 9 fiscal body for the unit upon the tangible property described in
 10 subsection (d) if the property were not exempt from property taxation.

11 (f) PILOTS shall be imposed as are property taxes and shall be
 12 based on the assessed value of the tangible property described in
 13 subsection (d). Except as provided in subsection (j), the township
 14 ~~assessors~~ **assessor, or the county assessor if there is no township**
 15 **assessor for the township**, shall assess the tangible property described
 16 in subsection (d) as though the property were not exempt. The
 17 development authority shall report the value of personal property in a
 18 manner consistent with IC 6-1.1-3.

19 (g) Notwithstanding any other law, a development authority is
 20 authorized to pay PILOTS imposed under this section from any legally
 21 available source of revenues. The development authority may consider
 22 these payments to be operating expenses for all purposes.

23 (h) PILOTS shall be deposited in the general fund of the unit and
 24 used for any purpose for which the general fund may be used.

25 (i) PILOTS shall be due as set forth in the ordinance and bear
 26 interest, if unpaid, as in the case of other taxes on property. PILOTS
 27 shall be treated in the same manner as property taxes for purposes of
 28 all procedural and substantive provisions of law.

29 (j) If the duties of the township assessor have been transferred to the
 30 county assessor as described in IC 6-1.1-1-24, a reference to the
 31 township assessor in this section is considered to be a reference to the
 32 county assessor.

33 SECTION 757. IC 36-7-32-17 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 17. (a) An allocation
 35 provision adopted under section 15 of this chapter must:

- 36 (1) apply to the entire certified technology park; and
- 37 (2) require that any property tax on taxable property subsequently
 38 levied by or for the benefit of any public body entitled to a
 39 distribution of property taxes in the certified technology park be
 40 allocated and distributed as provided in subsections (b) and (c).

41 (b) Except as otherwise provided in this section, the proceeds of the
 42 taxes attributable to the lesser of:

- 1 (1) the assessed value of the taxable property for the assessment
 2 date with respect to which the allocation and distribution is made;
 3 or
 4 (2) the base assessed value;

5 shall be allocated and, when collected, paid into the funds of the
 6 respective taxing units.

7 (c) Except as provided in subsection (d), all the property tax
 8 proceeds that exceed those described in subsection (b) shall be
 9 allocated to the redevelopment commission for the certified technology
 10 park and, when collected, paid into the certified technology park fund
 11 established under section 23 of this chapter.

12 (d) Before July 15 of each year, the redevelopment commission
 13 shall do the following:

14 (1) Determine the amount, if any, by which the property tax
 15 proceeds to be deposited in the certified technology park fund will
 16 exceed the amount necessary for the purposes described in section
 17 23 of this chapter.

18 (2) ~~Notify~~ **Provide a written notice to the county auditor, of the**
 19 **fiscal body of the county or municipality that established the**
 20 **redevelopment commission, and the officers who are**
 21 **authorized to fix budgets, tax rates, and tax levies under**
 22 **IC 6-1.1-17-5 for each of the other taxing units that is wholly**
 23 **or partly located within the allocation area. The notice must:**

24 (A) state the amount, if any, of excess tax proceeds that the
 25 redevelopment commission has determined may be allocated
 26 to the respective taxing units in the manner prescribed in
 27 subsection (c); or

28 (B) state that the commission has determined that there is
 29 no excess assessed value that may be allocated to the
 30 respective taxing units in the manner prescribed in
 31 subdivision (1).

32 **The county auditor shall allocate to the respective taxing units**
 33 **the amount, if any, of excess assessed value determined by the**
 34 **commission.** The redevelopment commission may not authorize
 35 an allocation of property tax proceeds under this subdivision if to
 36 do so would endanger the interests of the holders of bonds
 37 described in section 24 of this chapter.

38 (e) Notwithstanding any other law, each assessor shall, upon
 39 petition of the redevelopment commission, reassess the taxable
 40 property situated upon or in, or added to, the certified technology park
 41 effective on the next assessment date after the petition.

42 (f) Notwithstanding any other law, the assessed value of all taxable

1 property in the certified technology park, for purposes of tax limitation,
 2 property tax replacement, and formulation of the budget, tax rate, and
 3 tax levy for each political subdivision in which the property is located
 4 is the lesser of:

- 5 (1) the assessed value of the taxable property as valued without
- 6 regard to this section; or
- 7 (2) the base assessed value.

8 SECTION 758. IC 36-7.6-4-16, AS ADDED BY P.L.232-2007,
 9 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JANUARY 1, 2009]: Sec. 16. (a) This section applies if:

- 11 (1) a county or municipality that is a member of a development
- 12 authority fails to make a transfer or a part of a transfer required by
- 13 section 2 of this chapter; and
- 14 (2) the development authority has bonds or other debt or lease
- 15 obligations outstanding.

16 (b) The treasurer of state shall ~~notwithstanding IC 6-1.1-21~~, do the
 17 following:

- 18 (1) ~~Reduce the next distribution of property tax replacement~~
- 19 ~~credits under IC 6-1.1-21 to the county or municipality that failed~~
- 20 ~~to make a transfer or part of a transfer and~~ Withhold an amount
- 21 equal to the amount of the transfer or part of the transfer under
- 22 section 2 of this chapter that the ~~unit~~ **county or municipality**
- 23 **failed to make from money in the possession of the state that**
- 24 **would otherwise be available for distribution to the county or**
- 25 **municipality under any other law.**

- 26 (2) Pay the amount withheld under subdivision (1) to the
- 27 development authority.

28 SECTION 759. IC 36-8-6-5, AS AMENDED BY P.L.224-2007,
 29 SECTION 123, IS AMENDED TO READ AS FOLLOWS
 30 [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) If the local board
 31 determines that the total amount of money available for a year will be
 32 insufficient to pay the benefits, pensions, and retirement allowances the
 33 local board is obligated to pay under this chapter, the local board shall,
 34 before the date on which the budget of the municipality is adopted,
 35 prepare an itemized estimate in the form prescribed by the state board
 36 of accounts of the amount of money that will be receipted into and
 37 disbursed from the 1925 fund during the next fiscal year. The estimated
 38 receipts consist of the items enumerated in section 4(a) of this chapter.
 39 The estimated disbursements consist of an estimate of the amount of
 40 money that will be needed by the local board during the next fiscal year
 41 to defray the expenses and obligations incurred and that will be
 42 incurred by the local board in making the payments prescribed by this

1 chapter to retired members, to members who are eligible to and expect
2 to retire during the ensuing fiscal year, and to the dependents of
3 deceased members.

4 (b) The local board may provide in its annual budget and pay all
5 necessary expenses of operating the 1925 fund, including the payment
6 of all costs of litigation and attorney fees arising in connection with the
7 fund, as well as the payment of benefits and pensions. Notwithstanding
8 any other law, neither the municipal legislative body, the county board
9 of tax adjustment, (~~before January 1, 2009~~); ~~the county board of tax and~~
10 ~~capital projects review (after December 31, 2008)~~; nor the department
11 of local government finance may reduce an item of expenditure.

12 (c) At the time when the estimates are prepared and submitted, the
13 local board shall also prepare and submit a certified statement showing:

14 (1) the name, age, and date of retirement of each retired member
15 and the monthly and yearly amount of the payment to which the
16 retired member is entitled;

17 (2) the name and age of each member who is eligible to and
18 expects to retire during the next fiscal year, the date on which the
19 member expects to retire, and the monthly and yearly amount of
20 the payment that the member will be entitled to receive; and

21 (3) the name and age of each dependent, the date on which the
22 dependent became a dependent, the date on which the dependent
23 will cease to be a dependent by reason of attaining the age at
24 which dependents cease to be dependents, and the monthly and
25 yearly amount of the payment to which the dependent is entitled.

26 (d) The total receipts shall be deducted from the total expenditures
27 stated in the itemized estimate and the amount of the excess of the
28 estimated expenditures over the estimated receipts shall be paid by the
29 municipality in the same manner as other expenses of the municipality
30 are paid. A tax levy shall be made annually for this purpose, as
31 provided in subsection (e). The estimates submitted shall be prepared
32 and filed in the same manner and form and at the same time that
33 estimates of other municipal offices and departments are prepared and
34 filed.

35 (e) The municipal legislative body shall levy an annual tax in the
36 amount and at the rate that are necessary to produce the revenue to pay
37 that part of the police pensions that the municipality is obligated to pay.
38 All money derived from the levy is for the exclusive use of the police
39 pensions and benefits. The amounts in the estimated disbursements, if
40 found to be correct and in conformity with the data submitted in the
41 certified statement, are a binding obligation upon the municipality. The
42 legislative body shall make a levy for them that will yield an amount

1 equal to the estimated disbursements, less the amount of the estimated
 2 receipts. Notwithstanding any other law, neither the county board of tax
 3 adjustment (~~before January 1, 2009~~), the county board of tax and
 4 capital projects review (~~after December 31, 2008~~), nor the department
 5 of local government finance may reduce the levy.

6 SECTION 760. IC 36-8-7-14, AS AMENDED BY P.L.224-2007,
 7 SECTION 124, IS AMENDED TO READ AS FOLLOWS
 8 [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) The local board shall
 9 meet annually and prepare an itemized estimate, in the form prescribed
 10 by the state board of accounts, of the amount of money that will be
 11 receipted into and disbursed from the 1937 fund during the next fiscal
 12 year. The estimated receipts consist of the items enumerated in section
 13 8 of this chapter. The estimated disbursements must be divided into
 14 two (2) parts, designated as part 1 and part 2.

15 (b) Part 1 of the estimated disbursements consists of an estimate of
 16 the amount of money that will be needed by the local board during the
 17 next fiscal year to defray the expenses and obligations incurred and that
 18 will be incurred by the local board in making the payments prescribed
 19 by this chapter to retired members, to members who are eligible to and
 20 expect to retire during the next fiscal year, and to the dependents of
 21 deceased members. Part 2 of the estimated disbursements consists of
 22 an estimate of the amount of money that will be needed to pay death
 23 benefits and other expenditures that are authorized or required by this
 24 chapter.

25 (c) At the time when the estimates are prepared and submitted, the
 26 local board shall also prepare and submit a certified statement showing
 27 the following:

28 (1) The name, age, and date of retirement of each retired member
 29 and the monthly and yearly amount of the payment to which the
 30 retired member is entitled.

31 (2) The name and age of each member who is eligible to and
 32 expects to retire during the next fiscal year, the date on which the
 33 member expects to retire, and the monthly and yearly amount of
 34 the payment that the member will be entitled to receive.

35 (3) The name and the age of each dependent, the date on which
 36 the dependent became a dependent, the date on which the
 37 dependent will cease to be a dependent by reason of attaining the
 38 age at which dependents cease to be dependents, and the monthly
 39 and yearly amount of the payment to which the dependent is
 40 entitled.

41 (4) The amount that would be required for the next fiscal year to
 42 maintain level cost funding during the active fund members'

1 employment on an actuarial basis.

2 (5) The amount that would be required for the next fiscal year to
3 amortize accrued liability for active members, retired members,
4 and dependents over a period determined by the local board, but
5 not to exceed forty (40) years.

6 (d) The total receipts shall be deducted from the total expenditures
7 as listed in the itemized estimate. The amount of the excess of the
8 estimated expenditures over the estimated receipts shall be paid by the
9 unit in the same manner as other expenses of the unit are paid, and an
10 appropriation shall be made annually for that purpose. The estimates
11 submitted shall be prepared and filed in the same manner and form and
12 at the same time that estimates of other offices and departments of the
13 unit are prepared and filed.

14 (e) The estimates shall be made a part of the annual budget of the
15 unit. When revising the estimates, the executive, the fiscal officer, and
16 other fiduciary officers may not reduce the items in part 1 of the
17 estimated disbursements.

18 (f) The unit's fiscal body shall make the appropriations necessary to
19 pay that proportion of the budget of the 1937 fund that the unit is
20 obligated to pay under subsection (d). In addition, the fiscal body may
21 make appropriations for purposes of subsection (c)(4), (c)(5), or both.
22 All appropriations shall be made to the local board for the exclusive
23 use of the 1937 fund. The amounts listed in part 1 of the estimated
24 disbursements, if found to be correct and in conformity with the data
25 submitted in the certified statement, are a binding obligation upon the
26 unit. Notwithstanding any other law, neither the county board of tax
27 adjustment (~~before January 1, 2009~~), the county board of tax and
28 capital projects review (~~after December 31, 2008~~), nor the department
29 of local government finance may reduce the appropriations made to pay
30 the amount equal to estimated disbursements minus estimated receipts.

31 SECTION 761. IC 36-8-7-22, AS AMENDED BY P.L.224-2007,
32 SECTION 125, IS AMENDED TO READ AS FOLLOWS
33 [EFFECTIVE UPON PASSAGE]: Sec. 22. The 1937 fund may not be,
34 either before or after an order for distribution to members of the fire
35 department or to the surviving spouses or guardians of a child or
36 children of a deceased, disabled, or retired member, held, seized, taken,
37 subjected to, detained, or levied on by virtue of an attachment,
38 execution, judgment, writ, interlocutory or other order, decree, or
39 process, or proceedings of any nature issued out of or by a court in any
40 state for the payment or satisfaction, in whole or in part, of a debt,
41 damages, demand, claim, judgment, fine, or amercement of the
42 member or the member's surviving spouse or children. The 1937 fund

1 shall be kept and distributed only for the purpose of pensioning the
2 persons named in this chapter. The local board may, however, annually
3 expend an amount from the 1937 fund that it considers proper for the
4 necessary expenses connected with the fund. Notwithstanding any
5 other law, neither the fiscal body, the county board of tax adjustment,
6 ~~(before January 1, 2009); the county board of tax and capital projects~~
7 ~~review (after December 31, 2008);~~ nor the department of local
8 government finance may reduce these expenditures.

9 SECTION 762. IC 36-8-7.5-10, AS AMENDED BY P.L.224-2007,
10 SECTION 126, IS AMENDED TO READ AS FOLLOWS
11 [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) If the local board
12 determines that the total amount of money available for a year will be
13 insufficient to pay the benefits, pensions, and retirement allowances the
14 local board is obligated to pay under this chapter, the local board shall,
15 before the date on which the budget of the police special service
16 district is adopted, prepare an itemized estimate in the form prescribed
17 by the state board of accounts of the amount of money that will be
18 receipted into and disbursed from the 1953 fund during the next fiscal
19 year. The estimated receipts consist of the items enumerated in section
20 8 of this chapter. The estimated disbursements consist of an estimate
21 of the amount of money that will be needed by the local board during
22 the next fiscal year to defray the expenses and obligations incurred and
23 that will be incurred by the local board in making the payments
24 prescribed by this chapter to retired members, to members who are
25 eligible and expect to retire during the ensuing fiscal year, and to the
26 dependents of deceased members.

27 (b) At the time when the estimates are prepared and submitted, the
28 local board shall also prepare and submit a certified statement showing:

29 (1) the estimated number of beneficiaries from the 1953 fund
30 during the ensuing fiscal year in each of the various
31 classifications of beneficiaries as prescribed in this chapter, and
32 the names and amount of benefits being paid to those actively on
33 the list of beneficiaries at that time;

34 (2) the name, age, and length of service of each member of the
35 police department who is eligible to and expects to retire during
36 the ensuing fiscal year, and the monthly and yearly amounts of the
37 payment that the member will be entitled to receive; and

38 (3) the name and age of each dependent of a member of the police
39 department who is then receiving benefits, the date on which the
40 dependent commenced drawing benefits, and the date on which
41 the dependent will cease to be a dependent by reason of attaining
42 the age limit prescribed by this chapter, and the monthly and

1 yearly amounts of the payments to which each of the dependents
2 is entitled.

3 (c) After the amounts of receipts and disbursements shown in the
4 itemized estimate are fixed and approved by the executive, fiscal
5 officer, legislative body and other bodies, as provided by law for other
6 municipal funds, the total receipts shall be deducted from the total
7 expenditures stated in the itemized estimate, and the amount of the
8 excess shall be paid by the police special service district in the same
9 manner as other expenses of the district are paid. The legislative body
10 shall levy a tax and the money derived from the levy shall, when
11 collected, be credited exclusively to the 1953 fund. The tax shall be
12 levied in the amount and at the rate that is necessary to produce
13 sufficient revenue to equal the deficit. Notwithstanding any other law,
14 neither the county board of tax adjustment (~~before January 1, 2009~~), ~~the~~
15 ~~county board of tax and capital projects review (after December 31,~~
16 ~~2008)~~, nor the department of local government finance may reduce the
17 tax levy.

18 SECTION 763. IC 36-8-11-18, AS AMENDED BY P.L.224-2007,
19 SECTION 127, IS AMENDED TO READ AS FOLLOWS
20 [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) The board shall annually
21 budget the necessary money to meet the expenses of operation and
22 maintenance of the district, including repairs, fees, salaries,
23 depreciation on all depreciable assets, rents, supplies, contingencies,
24 bond redemption, and all other expenses lawfully incurred by the
25 district. After estimating expenses and receipts of money, the board
26 shall establish the tax levy required to fund the estimated budget.

27 (b) The budget must be approved by the fiscal body of the county,
28 the county board of tax adjustment, (~~before January 1, 2009~~), ~~the~~
29 ~~county board of tax and capital projects review (after December 31,~~
30 ~~2008)~~, and the department of local government finance.

31 (c) Upon approval by the department of local government finance,
32 the board shall certify the approved tax levy to the auditor of the county
33 having land within the district. The auditor shall have the levy entered
34 on the county treasurer's tax records for collection. After collection of
35 the taxes the auditor shall issue a warrant on the treasurer to transfer
36 the revenues collected to the board, as provided by statute.

37 SECTION 764. IC 36-8-11-22.1, AS AMENDED BY P.L.224-2007,
38 SECTION 128, IS AMENDED TO READ AS FOLLOWS
39 [EFFECTIVE UPON PASSAGE]: Sec. 22.1. (a) This section applies
40 to a district that consists of a municipality that is located in two (2)
41 counties.

42 (b) This section does not apply to a merged district under section 23

1 of this chapter.

2 (c) Sections 6 and 7 of this chapter apply to the petition.

3 (d) The board of fire trustees for the district shall be appointed as
4 prescribed by section 12 of this chapter. However, the legislative body
5 of each county within which the district is located shall jointly appoint
6 one (1) trustee from each township or part of a township contained in
7 the district and one (1) trustee from the municipality contained in the
8 district. The legislative body of each county shall jointly appoint a
9 member to fill a vacancy.

10 (e) Sections 13, 14, and 15 of this chapter relating to the board of
11 fire trustees apply to the board of the district. However, the county
12 legislative bodies serving the district shall jointly decide where the
13 board shall locate (or approve location of) its office.

14 (f) Sections 16, 17, 18, 19, and 21 of this chapter relating to the
15 taxing district, bonds, annual budget, tax levies, and disbanding of fire
16 departments apply to the district. However, the budget must be
17 approved by the county fiscal body and county board of tax adjustment
18 ~~(before January 1, 2009) or the county board of tax and capital projects~~
19 ~~review (after December 31, 2008)~~ in each county in the district. In
20 addition, the auditor of each county in the district shall perform the
21 duties described in section 18(c) of this chapter.

22 SECTION 765. IC 36-8-11-23, AS AMENDED BY P.L.224-2007,
23 SECTION 129, IS AMENDED TO READ AS FOLLOWS
24 [EFFECTIVE UPON PASSAGE]: Sec. 23. (a) Any fire protection
25 district may merge with one (1) or more protection districts to form a
26 single district if at least one-eighth (1/8) of the aggregate external
27 boundaries of the districts coincide.

28 (b) The legislative body of the county where at least two (2) districts
29 are located (or if the districts are located in more than one (1) county,
30 the legislative body of each county) shall, if petitioned by freeholders
31 in the two (2) districts, adopt an ordinance merging the districts into a
32 single fire protection district.

33 (c) Freeholders who desire the merger of at least two (2) fire
34 protection districts must initiate proceedings by filing a petition in the
35 office of the county auditor of each county where a district is located.
36 The petition must be signed:

37 (1) by at least twenty percent (20%), with a minimum of five
38 hundred (500) from each district, of the freeholders owning land
39 within the district; or

40 (2) by a majority of the freeholders from the districts;

41 whichever is less.

42 (d) The petition described in subsection (c) must state the same

1 items listed in section 7 of this chapter. Sections 6, 8, and 9 of this
 2 chapter apply to the petition and to the legislative body of each county
 3 in the proposed district.

4 (e) The board of fire trustees for each district shall form a single
 5 board, which shall continue to be appointed as prescribed by section 12
 6 of this chapter. In addition, sections 13, 14, and 15 of this chapter
 7 relating to the board of fire trustees apply to the board of the merged
 8 district, except that if the merged district lies in more than one (1)
 9 county, the county legislative bodies serving the combined district shall
 10 jointly decide where the board shall locate (or approve relocation of)
 11 its office.

12 (f) Sections 16, 17, 18, 19, and 21 of this chapter relating to the
 13 taxing district, bonds, annual budget, tax levies, and disbanding of fire
 14 departments apply to a merged district. However, the budget must be
 15 approved by the county fiscal body and county board of tax adjustment
 16 ~~(before January 1, 2009) or the county board of tax and capital projects~~
 17 ~~review (after December 31, 2008)~~ in each county in the merged district.
 18 In addition, the auditor of each county in the district shall perform the
 19 duties described in section 18(c) of this chapter.

20 SECTION 766. IC 36-8-13-4.7, AS AMENDED BY P.L.224-2007,
 21 SECTION 130, IS AMENDED TO READ AS FOLLOWS
 22 [EFFECTIVE UPON PASSAGE]: Sec. 4.7. (a) For a township that
 23 elects to have the township provide fire protection and emergency
 24 services under section 3(c) of this chapter, the department of local
 25 government finance shall adjust the township's maximum permissible
 26 levy in the year following the year in which the change is elected, as
 27 determined under IC 6-1.1-18.5-3, to reflect the change from providing
 28 fire protection or emergency services under a contract between the
 29 municipality and the township to allowing the township to impose a
 30 property tax levy on the taxable property located within the corporate
 31 boundaries of each municipality. For the ensuing calendar year, the
 32 township's maximum permissible property tax levy shall be increased
 33 by the product of:

- 34 (1) one and five-hundredths (1.05); multiplied by
 35 (2) the amount the township contracted or billed to receive,
 36 regardless of whether the amount was collected:
 37 (A) in the year in which the change is elected; and
 38 (B) as fire protection or emergency service payments from the
 39 municipalities or residents of the municipalities covered by the
 40 election under section 3(c) of this chapter.

41 The maximum permissible levy for a general fund or other fund of a
 42 municipality covered by the election under section 3(c) of this chapter

1 shall be reduced for the ensuing calendar year to reflect the change to
 2 allowing the township to impose a property tax levy on the taxable
 3 property located within the corporate boundaries of the municipality.
 4 The total reduction in the maximum permissible levies for all electing
 5 municipalities must equal the amount that the maximum permissible
 6 levy for the township is increased under this subsection for contracts
 7 or billings, regardless of whether the amount was collected, less the
 8 amount actually paid from sources other than property tax revenue.

9 (b) For purposes of determining a township's and each
 10 municipality's maximum permissible ad valorem property tax levy
 11 under IC 6-1.1-18.5-3 for years following the first year after the year in
 12 which the change is elected, a township's and each municipality's
 13 maximum permissible ad valorem property tax levy is the levy after the
 14 adjustment made under subsection (a).

15 (c) The township may use the amount of a maximum permissible
 16 property tax levy computed under this section in setting budgets and
 17 property tax levies for any year in which the election in section 3(c) of
 18 this chapter is in effect. A county board of tax adjustment (~~before~~
 19 ~~January 1, 2009~~) or the county board of tax and capital projects review
 20 (~~after December 31, 2008~~) may not reduce a budget or tax levy solely
 21 because the budget or levy is based on the maximum permissible
 22 property tax levy computed under this section.

23 (d) Section 4.6 of this chapter does not apply to a property tax levy
 24 or a maximum property tax levy subject to this section.

25 SECTION 767. IC 36-8-15-19, AS AMENDED BY P.L.148-2007,
 26 SECTION 9, AND P.L.195-2007, SECTION 10, AND AS AMENDED
 27 BY P.L.224-2007, SECTION 131, IS CORRECTED AND AMENDED
 28 TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19.

29 (a) This subsection applies to a county *not having a consolidated city*
 30 *that has a population of more than one hundred eighty-two thousand*
 31 *seven hundred ninety (182,790) but less than two hundred thousand*
 32 *(200,000)*. For the purpose of raising money to fund the operation of
 33 the district, the county fiscal body may impose, for property taxes first
 34 due and payable during each year after the adoption of an ordinance
 35 establishing the district, an ad valorem property tax levy on property
 36 within the district. The property tax rate for that levy may not exceed
 37 five cents (\$0.05) on each one hundred dollars (\$100) of assessed
 38 valuation.

39 (b) This subsection applies to a county having a consolidated city.
 40 The county fiscal body may elect to fund the operation of the district
 41 from part of the certified distribution, if any, that the county is to
 42 receive during a particular calendar year under IC 6-3.5-6-17. To make

1 such an election, the county fiscal body must adopt an ordinance before
2 September 1 of the immediately preceding calendar year. The county
3 fiscal body must specify in the ordinance the amount of the certified
4 distribution that is to be used to fund the operation of the district. If the
5 county fiscal body adopts such an ordinance, it shall immediately send
6 a copy of the ordinance to the county auditor.

7 (c) Subject to subsections (d), (e), and (f), if an ordinance or
8 resolution is adopted changing the territory covered by the district or
9 the number of public agencies served by the district, the local
10 government tax control board (*before January 1, 2009*) or the ~~county~~
11 *board of tax and capital projects review* **department of local**
12 **government finance** (*after December 31, 2008*) shall, for property
13 taxes first due and payable during the year after the adoption of the
14 ordinance, adjust the maximum permissible ad valorem property tax
15 levy limits of the district and the units participating in the district.

16 (d) If a unit by ordinance or resolution joins the district or elects to
17 have its public safety agencies served by the district, the local
18 government tax control board (*before January 1, 2009*) or the ~~county~~
19 *board of tax and capital projects review* **department of local**
20 **government finance** (*after December 31, 2008*) shall reduce the
21 maximum permissible ad valorem property tax levy of the unit for
22 property taxes first due and payable during the year after the adoption
23 of the ordinance or resolution. The reduction shall be based on the
24 amount budgeted by the unit for public safety communication services
25 in the year in which the ordinance was adopted. If such an ordinance
26 or resolution is adopted, the district shall refer its proposed budget, ad
27 valorem property tax levy, and property tax rate for the following year
28 to the board, which shall review and set the budget, levy, and rate as
29 though the district were covered by IC 6-1.1-18.5-7.

30 (e) If a unit by ordinance or resolution withdraws from the district
31 or rescinds its election to have its public safety agencies served by the
32 district, the local government tax control board (*before January 1,*
33 *2009*) or the ~~county~~ *board of tax and capital projects review*
34 **department of local government finance** (*after December 31, 2008*)
35 shall reduce the maximum permissible ad valorem property tax levy of
36 the district for property taxes first due and payable during the year after
37 the adoption of the ordinance or resolution. The reduction shall be
38 based on the amounts being levied by the district within that unit. If
39 such an ordinance or resolution is adopted, the unit shall refer its
40 proposed budget, ad valorem property tax levy, and property tax rate
41 for public safety communication services to the board, which shall
42 review and set the budget, levy, and rate as though the unit were

1 covered by IC 6-1.1-18.5-7.

2 (f) The adjustments provided for in subsections (c), (d), and (e) do
3 not apply to a district or unit located in a particular county if the county
4 fiscal body of that county does not impose an ad valorem property tax
5 levy under subsection (a) to fund the operation of the district.

6 *(g) A county that has adopted an ordinance under section 1(3) of
7 this chapter may not impose an ad valorem property tax levy on
8 property within the district to fund the operation or implementation of
9 the district.*

10 SECTION 768. IC 36-9-3-29, AS AMENDED BY P.L.224-2007,
11 SECTION 132, IS AMENDED TO READ AS FOLLOWS
12 [EFFECTIVE UPON PASSAGE]: Sec. 29. The board shall prepare an
13 annual budget for the authority's operating and maintenance
14 expenditures and necessary capital expenditures. Each annual budget
15 is subject to review and modification by the:

- 16 (1) fiscal body of the county or municipality that establishes the
17 authority; and
18 (2) county board of tax adjustment (~~before January 1, 2009~~) or the
19 county board of tax and capital projects review (~~after December
20 31, 2008~~) and the department of local government finance under
21 IC 6-1.1-17.

22 SECTION 769. IC 36-9-3-31, AS AMENDED BY P.L.219-2007,
23 SECTION 141, IS AMENDED TO READ AS FOLLOWS
24 [EFFECTIVE JULY 1, 2008]: Sec. 31. (a) This section applies to an
25 authority that includes a county having a population of more than four
26 hundred thousand (400,000) but less than seven hundred thousand
27 (700,000).

28 (b) The authority may issue revenue or general obligation bonds
29 under this section.

30 (c) The board may issue revenue bonds of the authority for the
31 purpose of procuring money to pay the cost of acquiring real or
32 personal property for the purpose of this chapter. The issuance of bonds
33 must be authorized by resolution of the board and approved by the
34 county fiscal bodies of the counties in the authority before issuance.
35 The resolution must provide for the amount, terms, and tenor of the
36 bonds, and for the time and character of notice and mode of making
37 sale of the bonds.

38 (d) The bonds are payable at the times and places determined by the
39 board, but they may not run more than thirty (30) years after the date
40 of their issuance and must be executed in the name of the authority by
41 an authorized officer of the board and attested by the secretary. The
42 interest coupons attached to the bonds may be executed by placing on

1 them the facsimile signature of the authorized officer of the board.

2 (e) The president of the authority shall manage and supervise the
3 preparation, advertisement, and sale of the bonds, subject to the
4 authorizing ordinance. Before the sale of bonds, the president shall
5 cause notice of the sale to be published in accordance with IC 5-3-1,
6 setting out the time and place where bids will be received, the amount
7 and maturity dates of the issue, the maximum interest rate, and the
8 terms and conditions of sale and delivery of the bonds. The bonds shall
9 be sold in accordance with IC 5-1-11. After the bonds have been
10 properly sold and executed, the executive director or president shall
11 deliver them to the controller of the authority and take a receipt for
12 them, and shall certify to the treasurer the amount that the purchaser is
13 to pay, together with the name and address of the purchaser. On
14 payment of the purchase price the controller shall deliver the bonds to
15 the purchaser, and the controller and executive director or president
16 shall report their actions to the board.

17 (f) General obligation bonds issued under this section are subject to
18 the provisions of IC 5-1 and IC 6-1.1-20 relating to **the following**:

- 19 (1) The filing of a petition requesting the issuance of bonds.
20 (2) The appropriation of the proceeds of bonds.
21 (3) The right of taxpayers to appeal and be heard on the proposed
22 appropriation.
23 (4) The approval of the appropriation by the department of local
24 government finance.
25 (5) The right of:
26 (A) taxpayers and voters to remonstrate against the issuance of
27 bonds **and in the case of a proposed bond issue described by**
28 **IC 6-1.1-20-3.1(a); or**
29 (B) voters to vote on the issuance of bonds in the case of a
30 **proposed bond issue described by IC 6-1.1-20-3.5(a).**
31 (6) The sale of bonds for not less than their par value.

32 (g) Notice of the filing of a petition requesting the issuance of
33 bonds, notice of determination to issue bonds, and notice of the
34 appropriation of the proceeds of the bonds shall be given by posting in
35 the offices of the authority for a period of one (1) week and by
36 publication in accordance with IC 5-3-1.

37 (h) The bonds are not a corporate indebtedness of any unit, but are
38 an indebtedness of the authority as a municipal corporation. A suit to
39 question the validity of the bonds issued or to prevent their issuance
40 may not be instituted after the date set for sale of the bonds, and after
41 that date the bonds may not be contested for any cause.

42 (i) The bonds issued under this section and the interest on them are

1 exempt from taxation for all purposes except the financial institutions
 2 tax imposed under IC 6-5.5 or a state inheritance tax imposed under
 3 IC 6-4.1.

4 SECTION 770. IC 36-9-4-45, AS AMENDED BY P.L.219-2007,
 5 SECTION 142, IS AMENDED TO READ AS FOLLOWS
 6 [EFFECTIVE JULY 1, 2008]: Sec. 45. (a) Bonds issued under this
 7 chapter:

8 (1) shall be issued in the denomination;

9 (2) are payable over a period not to exceed thirty (30) years from
 10 the date of the bonds; and

11 (3) mature;

12 as determined by the ordinance authorizing the bond issue.

13 (b) All bonds issued under this chapter, the interest on them, and the
 14 income from them are exempt from taxation to the extent provided by
 15 IC 6-8-5-1.

16 (c) The provisions of IC 6-1.1-20 relating to:

17 (1) filing petitions requesting the issuance of bonds and giving
 18 notice of those petitions;

19 (2) giving notice of a hearing on the appropriation of the proceeds
 20 of the bonds;

21 (3) the right of taxpayers to appear and be heard on the proposed
 22 appropriation;

23 (4) the approval of the appropriation by the department of local
 24 government finance; and

25 (5) the right of:

26 (A) taxpayers and voters to remonstrate against the issuance of
 27 bonds **in the case of a proposed bond issue described by**
 28 **IC 6-1.1-20-3.1(a); or**

29 (B) voters to vote on the issuance of bonds in the case of a
 30 **proposed bond issue described by IC 6-1.1-20-3.5(a);**

31 apply to the issuance of bonds under this chapter.

32 (d) A suit to question the validity of bonds issued under this chapter
 33 or to prevent their issue and sale may not be instituted after the date set
 34 for the sale of the bonds, and the bonds are incontestable after that date.

35 SECTION 771. IC 36-9-4-47, AS AMENDED BY P.L.224-2007,
 36 SECTION 133, IS AMENDED TO READ AS FOLLOWS
 37 [EFFECTIVE UPON PASSAGE]: Sec. 47. (a) The board of directors
 38 of a public transportation corporation may:

39 (1) borrow money in anticipation of receipt of the proceeds of
 40 taxes that have been levied by the board and have not yet been
 41 collected; and

42 (2) evidence this borrowing by issuing warrants of the

1 corporation.

2 The money that is borrowed may be used by the corporation for
3 payment of principal and interest on its bonds or for payment of current
4 operating expenses.

5 (b) The warrants:

6 (1) bear the date or dates;

7 (2) mature at the time or times on or before December 31
8 following the year in which the taxes in anticipation of which the
9 warrants are issued are due and payable;

10 (3) bear interest at the rate or rates and are payable at the time or
11 times;

12 (4) may be in the denominations;

13 (5) may be in the forms, either registered or payable to bearer;

14 (6) are payable at the place or places, either inside or outside
15 Indiana;

16 (7) are payable in the medium of payment;

17 (8) are subject to redemption upon the terms, including a price not
18 exceeding par and accrued interest; and

19 (9) may be executed by the officers of the corporation in the
20 manner;

21 provided by resolution of the board of directors. The resolution may
22 also authorize the board to pay from the proceeds of the warrants all
23 costs incurred in connection with the issuance of the warrants.

24 (c) The warrants may be authorized and issued at any time after the
25 board of directors levies the tax or taxes in anticipation of which the
26 warrants are issued.

27 (d) The warrants may be sold for not less than par value after notice
28 inviting bids has been published in accordance with IC 5-3-1. The
29 board of directors may also publish the notice inviting bids in other
30 newspapers or financial journals.

31 (e) After the warrants are sold, they may be delivered and paid for
32 at one (1) time or in installments.

33 (f) The aggregate principal amount of warrants issued in
34 anticipation of and payable from the same tax levy or levies may not
35 exceed eighty percent (80%) of the levy or levies, as the amount of the
36 levy or levies is certified by the department of local government
37 finance, or as is determined by multiplying the rate of tax as finally
38 approved by the total assessed valuation of taxable property within the
39 taxing district of the public transportation corporation as most recently
40 certified by the county auditor.

41 (g) For purposes of this section, taxes for any year are considered to
42 be levied when the board of directors adopts the ordinance prescribing

1 the tax levies for the year. However, warrants may not be delivered and
 2 paid for before final approval of a tax levy or levies by the county
 3 board of tax adjustment (~~before January 1, 2009~~) or the county board
 4 of tax and capital projects review (~~after December 31, 2008~~) (or, if
 5 appealed, by the department of local government finance) unless the
 6 issuance of the warrants has been approved by the department of local
 7 government finance.

8 (h) The warrants and the interest on them are not subject to sections
 9 43 and 44 of this chapter and are payable solely from the proceeds of
 10 the tax levy or levies in anticipation of which the warrants were issued.
 11 The authorizing resolution must pledge a sufficient amount of the
 12 proceeds of the tax levy or levies to the payment of the warrants and
 13 the interest.

14 (i) All actions of the board of directors under this section may be
 15 taken by resolution, which need not be published or posted. The
 16 resolution takes effect immediately upon its adoption by a majority of
 17 the members of the board of directors.

18 (j) An action to contest the validity of any tax anticipation warrants
 19 may not be brought later than ten (10) days after the sale date.

20 SECTION 772. IC 36-9-11.1-11, AS AMENDED BY P.L.219-2007,
 21 SECTION 143, IS AMENDED TO READ AS FOLLOWS
 22 [EFFECTIVE JULY 1, 2008]: Sec. 11. (a) All property of every kind,
 23 including air rights, acquired for off-street parking purposes, and all its
 24 funds and receipts, are exempt from taxation for all purposes. When
 25 any real property is acquired by the consolidated city, the county
 26 auditor shall, upon certification of that fact by the board, cancel all
 27 taxes then a lien. The certificate of the board must specifically describe
 28 the real property, including air rights, and the purpose for which
 29 acquired.

30 (b) A lessee of the city may not be assessed any tax upon any land,
 31 air rights, or improvements leased from the city, but the separate
 32 leasehold interest has the same status as leases on taxable real property,
 33 notwithstanding any other law. ~~Except as provided in subsection (c);~~
 34 Whenever the city sells any such property to anyone for private use, the
 35 property becomes liable for all taxes after that, as other property is so
 36 liable and is assessed, and the board shall report all such sales to the
 37 township assessor, **or the county assessor if there is no township**
 38 **assessor for the township**, who shall cause the property to be upon the
 39 proper tax records.

40 (c) If the duties of the township assessor have been transferred to the
 41 county assessor as described in IC 6-1.1-1-24, a reference to the
 42 township assessor in this section is considered to be a reference to the

1 county assessor.

2 SECTION 773. IC 36-9-13-35, AS AMENDED BY P.L.224-2007,
3 SECTION 134, IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE UPON PASSAGE]: Sec. 35. The annual operating
5 budget of a building authority is subject to review by the county board
6 of tax adjustment (~~before January 1, 2009~~) or the county board of tax
7 and capital projects review (~~after December 31, 2008~~) and then by the
8 department of local government finance as in the case of other political
9 subdivisions.

10 SECTION 774. IC 36-10-3-24, AS AMENDED BY P.L.219-2007,
11 SECTION 144, IS AMENDED TO READ AS FOLLOWS
12 [EFFECTIVE JULY 1, 2008]: Sec. 24. (a) In order to raise money to
13 pay for land to be acquired for any of the purposes named in this
14 chapter, to pay for an improvement authorized by this chapter, or both,
15 and in anticipation of the special benefit tax to be levied as provided in
16 this chapter, the board shall cause to be issued, in the name of the unit,
17 the bonds of the district. The bonds may not exceed in amount the total
18 cost of all land to be acquired and all improvements described in the
19 resolution, including all expenses necessarily incurred in connection
20 with the proceedings, together with a sum sufficient to pay the costs of
21 supervision and inspection during the period of construction of a work.
22 The expenses to be covered in the bond issue include all expenses of
23 every kind actually incurred preliminary to acquiring the land and the
24 construction of the work, such as the cost of the necessary record,
25 engineering expenses, publication of notices, preparation of bonds, and
26 other necessary expenses. If more than one (1) resolution or proceeding
27 of the board under section 23 of this chapter is confirmed whereby
28 different parcels of land are to be acquired, or more than one (1)
29 contract for work is let by the board at approximately the same time,
30 the cost involved under all of the resolutions and proceedings may be
31 included in one (1) issue of bonds.

32 (b) The bonds may be issued in any denomination not less than one
33 thousand dollars (\$1,000) each, in not less than five (5) nor more than
34 forty (40) annual series. The bonds are payable one (1) series each
35 year, beginning at a date after the receipt of taxes from a levy made for
36 that purpose. The bonds are negotiable. The bonds may bear interest at
37 any rate, payable semiannually. After adopting a resolution ordering
38 bonds, the board shall certify a copy of the resolution to the unit's fiscal
39 officer. The fiscal officer shall prepare the bonds, and the unit's
40 executive shall execute them, attested by the fiscal officer.

41 (c) The bonds and the interest on them are exempt from taxation as
42 prescribed by IC 6-8-5-1. Bonds issued under this section are subject

1 to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

- 2 (1) the filing of a petition requesting the issuance of bonds;
- 3 (2) the right of:
- 4 (A) taxpayers and voters to remonstrate against the issuance of
- 5 bonds **in the case of a proposed bond issue described by**
- 6 **IC 6-1.1-20-3.1(a); or**
- 7 **(B) voters to vote on the issuance of bonds in the case of a**
- 8 **proposed bond issue described by IC 6-1.1-20-3.5(a);**
- 9 (3) the appropriation of the proceeds of the bonds and approval by
- 10 the department of local government finance; and
- 11 (4) the sale of bonds at public sale for not less than their par
- 12 value.

13 (d) The board may not have bonds of the district issued under this

14 section that are payable by special taxation when the total issue for that

15 purpose, including the bonds already issued or to be issued, exceeds

16 two percent (2%) of the adjusted value of the taxable property in the

17 district as determined under IC 36-1-15. All bonds or obligations

18 issued in violation of this subsection are void. The bonds are not

19 obligations or indebtedness of the unit, but constitute an indebtedness

20 of the district as a special taxing district. The bonds and interest are

21 payable only out of a special tax levied upon all the property of the

22 district as prescribed by this chapter. The bonds must recite the terms

23 upon their face, together with the purposes for which they are issued.

24 SECTION 775. IC 36-10-4-35 IS AMENDED TO READ AS

25 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 35. (a) In order to pay

26 for:

- 27 (1) land to be acquired for any of the purposes of this chapter;
- 28 (2) an improvement authorized by this chapter; or
- 29 (3) both;
- 30 the board shall issue the bonds of the district in the name of the city in
- 31 anticipation of the special benefits tax to be levied under this chapter.
- 32 The amount of the bonds may not exceed the estimated cost of all land
- 33 to be acquired and the estimated cost of all improvements provided in
- 34 the resolution, including all expenses necessarily incurred in the
- 35 proceedings and a sum sufficient to pay the estimated costs of
- 36 supervision and inspection during the period of construction. Expenses
- 37 include all expenses actually incurred preliminary to acquisition of the
- 38 land and the construction work, such as the estimated cost of the
- 39 necessary record, engineering expenses, publication of notices,
- 40 preparation of bonds, and other expenses necessary to letting the
- 41 contract and selling the bonds.
- 42 (b) The total amount of any benefits that have been assessed by the

1 board and confirmed against lots and parcels of land, exclusive of
 2 improvements, lying within two thousand (2,000) feet on either side of
 3 the land to be acquired or of the improvement, however, shall be
 4 deducted from the estimated cost.

5 (c) If more than one (1) resolution or proceeding of the board under
 6 section 25 of this chapter is confirmed whereby different parcels of
 7 land are to be acquired or more than one (1) contract for work is let by
 8 the board at approximately the same time, the estimated cost involved
 9 under all of the resolutions and proceedings may be contained in one
 10 (1) issue of bonds.

11 (d) The bonds shall be issued in any denomination up to five
 12 thousand dollars (\$5,000) each. The bonds are negotiable instruments
 13 and bear interest at a rate established by the board and approved by the
 14 city legislative body.

15 (e) After adopting a resolution ordering the bonds, the board shall
 16 certify a copy of the resolution to the fiscal officer of the city. The
 17 fiscal officer shall then prepare the bonds, which shall be executed by
 18 the city executive and attested by the fiscal officer. The bonds are
 19 exempt from taxation for all purposes and are subject to IC 6-1.1-20
 20 concerning:

21 (1) the filing of a petition requesting the issuance of bonds; and

22 (2) the right of:

23 (A) taxpayers to remonstrate against the issuance of bonds **in**
 24 **the case of a proposed bond issue described by**
 25 **IC 6-1.1-20-3.1(a); or**

26 (B) voters to vote on the issuance of bonds **in the case of a**
 27 **proposed bond issue described by IC 6-1.1-20-3.5(a).**

28 (f) All bonds shall be sold at not less than par value plus accrued
 29 interest to date of delivery by the city fiscal officer to the highest bidder
 30 after giving notice of the sale of the bonds by publication in accordance
 31 with IC 5-3-1.

32 (g) The bonds are subject to approval by the city legislative body,
 33 in the manner it prescribes by ordinance or resolution.

34 (h) The bonds are not corporate obligations or indebtedness of the
 35 city, but are an indebtedness of the district as a special taxing district.
 36 The bonds and interest are payable only out of a special tax levied upon
 37 all property of the district. The bonds must recite these terms upon their
 38 face, together with the purposes for which they are issued.

39 (i) An action to question the validity of bonds of the district or to
 40 prevent their issue may not be brought after the date set for the sale of
 41 the bonds.

42 (j) The board may, instead of selling the bonds in series, sell the

1 bonds to run for a period of five (5) years from the date of issue for the
 2 purposes of this chapter at any rate of interest payable semiannually,
 3 also exempt from taxation for all purposes. The board may sell bonds
 4 in series to refund the five (5) year bonds.

5 SECTION 776. IC 36-10-7.5-22, AS AMENDED BY P.L.219-2007,
 6 SECTION 145, IS AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2008]: Sec. 22. (a) To raise money to pay for
 8 land to be acquired for any of the purposes named in this chapter or to
 9 pay for an improvement authorized by this chapter, and in anticipation
 10 of the special benefit tax to be levied as provided in this chapter, the
 11 legislative body shall issue in the name of the township the bonds of
 12 the district. The bonds may not exceed in amount the total cost of all
 13 land to be acquired and all improvements described in the resolution,
 14 including all expenses necessarily incurred in connection with the
 15 proceedings, together with a sum sufficient to pay the costs of
 16 supervision and inspection during the period of construction of a work.
 17 The expenses to be covered in the bond issue include all expenses of
 18 every kind actually incurred preliminary to acquiring the land and the
 19 construction of the work, such as the cost of the necessary record,
 20 engineering expenses, publication of notices, preparation of bonds, and
 21 other necessary expenses. If more than one (1) resolution or proceeding
 22 of the legislative body under this chapter is confirmed whereby
 23 different parcels of land are to be acquired or more than one (1)
 24 contract for work is let by the executive at approximately the same
 25 time, the cost involved under all of the resolutions and proceedings
 26 may be included in one (1) issue of bonds.

27 (b) The bonds may be issued in any denomination not less than one
 28 thousand dollars (\$1,000) each, in not less than five (5) nor more than
 29 forty (40) annual series. The bonds are payable one (1) series each
 30 year, beginning at a date after the receipt of taxes from a levy made for
 31 that purpose. The bonds are negotiable. The bonds may bear interest at
 32 any rate, payable semiannually. After adopting a resolution ordering
 33 bonds, the legislative body shall certify a copy of the resolution to the
 34 township's fiscal officer. The fiscal officer shall prepare the bonds, and
 35 the executive shall execute the bonds, attested by the fiscal officer.

36 (c) The bonds and the interest on the bonds are exempt from
 37 taxation as prescribed by IC 6-8-5-1. Bonds issued under this section
 38 are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

- 39 (1) the filing of a petition requesting the issuance of bonds;
- 40 (2) the right of:

- 41 (A) taxpayers and voters to remonstrate against the issuance of
- 42 bonds **in the case of a proposed bond issue described by**

- 1 **IC 6-1.1-20-3.1(a); or**
 2 **(B) voters to vote on the issuance of bonds in the case of a**
 3 **proposed bond issue described by IC 6-1.1-20-3.5(a);**
 4 **(3) the appropriation of the proceeds of the bonds with the**
 5 approval of the department of local government finance; and
 6 **(4) the sale of bonds at public sale for not less than the par value**
 7 of the bonds.

8 (d) The legislative body may not have bonds of the district issued
 9 under this section that are payable by special taxation when the total
 10 issue for that purpose, including the bonds already issued or to be
 11 issued, exceeds two percent (2%) of the total adjusted value of the
 12 taxable property in the district as determined under IC 36-1-15. All
 13 bonds or obligations issued in violation of this subsection are void. The
 14 bonds are not obligations or indebtedness of the township but constitute
 15 an indebtedness of the district as a special taxing district. The bonds
 16 and interest are payable only out of a special tax levied upon all the
 17 property of the district as prescribed by this chapter. A bond must
 18 recite the terms upon the face of the bond, together with the purposes
 19 for which the bond is issued.

20 SECTION 777. IC 36-10-8-16, AS AMENDED BY P.L.219-2007,
 21 SECTION 146, IS AMENDED TO READ AS FOLLOWS
 22 [EFFECTIVE JULY 1, 2008]: Sec. 16. (a) A capital improvement may
 23 be financed in whole or in part by the issuance of general obligation
 24 bonds of the county or, if the authority was created under IC 18-7-18
 25 (before its repeal on February 24, 1982), also of the city, if the board
 26 determines that the estimated annual net income of the capital
 27 improvement, plus the estimated annual tax revenues to be derived
 28 from any tax revenues made available for this purpose, will not be
 29 sufficient to satisfy and pay the principal of and interest on all bonds
 30 issued under this chapter, including the bonds then proposed to be
 31 issued.

32 (b) If the board desires to finance a capital improvement in whole
 33 or in part as provided in this section, it shall have prepared a resolution
 34 to be adopted by the county executive authorizing the issuance of
 35 general obligation bonds, or, if the authority was created under
 36 IC 18-7-18 (before its repeal on February 24, 1982), by the fiscal body
 37 of the city authorizing the issuance of general obligation bonds. The
 38 resolution must set forth an itemization of the funds and assets received
 39 by the board, together with the board's valuation and certification of the
 40 cost. The resolution must state the date or dates on which the principal
 41 of the bonds is payable, the maximum interest rate to be paid, and the
 42 other terms upon which the bonds shall be issued. The board shall

1 submit the proposed resolution to the proper officers, together with a
 2 certificate to the effect that the issuance of bonds in accordance with
 3 the resolution will be in compliance with this section. The certificate
 4 must also state the estimated annual net income of the capital
 5 improvement to be financed by the bonds, the estimated annual tax
 6 revenues, and the maximum amount payable in any year as principal
 7 and interest on the bonds issued under this chapter, including the bonds
 8 proposed to be issued, ~~as~~ **at** the maximum interest rate set forth in the
 9 resolution. The bonds issued may mature over a period not exceeding
 10 forty (40) years from the date of issue.

11 (c) Upon receipt of the resolution and certificate, the proper officers
 12 may adopt them and take all action necessary to issue the bonds in
 13 accordance with the resolution. An action to contest the validity of
 14 bonds issued under this section may not be brought after the fifteenth
 15 day following the receipt of bids for the bonds.

16 (d) The provisions of all general statutes relating to:

17 (1) the filing of a petition requesting the issuance of bonds and
 18 giving notice;

19 (2) the right of:

20 (A) taxpayers and voters to remonstrate against the issuance of
 21 bonds **in the case of a proposed bond issue described by**
 22 **IC 6-1.1-20-3.1(a); or**

23 (B) voters to vote on the issuance of bonds in the case of a
 24 **proposed bond issue described by IC 6-1.1-20-3.5(a);**

25 (3) the giving of notice of the determination to issue bonds;

26 (4) the giving of notice of a hearing on the appropriation of the
 27 proceeds of bonds;

28 (5) the right of taxpayers to appear and be heard on the proposed
 29 appropriation;

30 (6) the approval of the appropriation by the department of local
 31 government finance; and

32 (7) the sale of bonds at public sale;

33 apply to the issuance of bonds under this section.

34 SECTION 778. IC 36-10-9-15, AS AMENDED BY P.L.219-2007,
 35 SECTION 147, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE JULY 1, 2008]: Sec. 15. (a) A capital improvement may
 37 be financed in whole or in part by the issuance of general obligation
 38 bonds of the county.

39 (b) If the board desires to finance a capital improvement in whole
 40 or in part as provided in this section, it shall have prepared a resolution
 41 to be adopted by the board of commissioners of the county authorizing
 42 the issuance of general obligation bonds. The resolution must state the

1 date or dates on which the principal of the bonds is payable, the
 2 maximum interest rate to be paid, and the other terms upon which the
 3 bonds shall be issued. The board shall submit the proposed resolution
 4 to the board of commissioners of the county, together with a certificate
 5 to the effect that the issuance of bonds in accordance with the
 6 resolution will be in compliance with this section. The certificate must
 7 also state the estimated annual net income of the capital improvement
 8 to be financed by the bonds, the estimated annual tax revenues, and the
 9 maximum amount payable in any year as principal and interest on the
 10 bonds issued under this chapter, including the bonds proposed to be
 11 issued, at the maximum interest rate set forth in the resolution. The
 12 bonds issued may mature over a period not exceeding forty (40) years
 13 from the date of issue.

14 (c) Upon receipt of the resolution and certificate, the board of
 15 commissioners of the county may adopt them and take all action
 16 necessary to issue the bonds in accordance with the resolution. An
 17 action to contest the validity of bonds issued under this section may not
 18 be brought after the fifteenth day following the receipt of bids for the
 19 bonds.

20 (d) The provisions of all general statutes relating to:

21 (1) the filing of a petition requesting the issuance of bonds and
 22 giving notice;

23 (2) the right of:

24 (A) taxpayers and voters to remonstrate against the issuance of
 25 bonds **in the case of a proposed bond issue described by**
 26 **IC 6-1.1-20-3.1(a); or**

27 **(B) voters to vote on the issuance of bonds in the case of a**
 28 **proposed bond issue described by IC 6-1.1-20-3.5(a);**

29 (3) the giving of notice of the determination to issue bonds;

30 (4) the giving of notice of a hearing on the appropriation of the
 31 proceeds of bonds;

32 (5) the right of taxpayers to appear and be heard on the proposed
 33 appropriation;

34 (6) the approval of the appropriation by the department of local
 35 government finance; and

36 (7) the sale of bonds at public sale for not less than par value;

37 are applicable to the issuance of bonds under this section.

38 SECTION 779. IC 36-10-13-5, AS AMENDED BY P.L.2-2006,
 39 SECTION 195, IS AMENDED TO READ AS FOLLOWS
 40 [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) This section applies
 41 only to a school corporation in a county having a population of more
 42 than two hundred thousand (200,000) but less than three hundred

1 thousand (300,000).

2 (b) To provide funding for a historical society under this section, the
3 governing body of a school corporation may impose a tax of not more
4 than five-tenths of one cent (\$.005) on each one hundred dollars
5 (\$100) of assessed valuation in the school corporation.

6 ~~(c) A tax under this section is not subject to the maximum~~
7 ~~permissible tuition support levy limitations imposed on the school~~
8 ~~corporation by IC 20-45-3.~~

9 ~~(d)~~ (c) The school corporation shall deposit the proceeds of the tax
10 in a fund to be known as the historical society fund. The historical
11 society fund is separate and distinct from the school corporation's
12 general fund and may be used only to provide funds for a historical
13 society under this section.

14 ~~(e)~~ (d) Subject to section 6 of this chapter, the governing body of the
15 school corporation may annually appropriate the money in the fund to
16 be paid in semiannual installments to a historical society having
17 facilities in the county.

18 SECTION 780. IC 36-10-13-7, AS AMENDED BY P.L.2-2006,
19 SECTION 196, IS AMENDED TO READ AS FOLLOWS
20 [EFFECTIVE JANUARY 1, 2009]: Sec. 7. (a) This section applies to
21 school corporations in a county containing a city having a population
22 of:

- 23 (1) more than one hundred fifty thousand (150,000) but less than
24 five hundred thousand (500,000);
25 (2) more than one hundred twenty thousand (120,000) but less
26 than one hundred fifty thousand (150,000);
27 (3) more than ninety thousand (90,000) but less than one hundred
28 five thousand (105,000);
29 (4) more than one hundred five thousand (105,000) but less than
30 one hundred twenty thousand (120,000); or
31 (5) more than seventy-five thousand (75,000) but less than ninety
32 thousand (90,000).

33 (b) To provide funding for an art association under this section, the
34 governing body of a school corporation may impose a tax of not more
35 than five-tenths of one cent (\$.005) on each one hundred dollars
36 (\$100) of assessed valuation in the school corporation. ~~The tax is not~~
37 ~~subject to the maximum permissible tuition support levy limitations~~
38 ~~imposed on the school corporation by IC 20-45-3.~~

39 (c) The school corporation shall deposit the proceeds of the tax
40 imposed under subsection (b) in a fund to be known as the art
41 association fund. The art association fund is separate and distinct from
42 the school corporation's general fund and may be used only to provide

1 funds for an art association under this section. The governing body of
2 the school corporation may annually appropriate the money in the fund
3 to be paid in semiannual installments to an art association having
4 facilities in a city that is described in subsection (a), subject to
5 subsection (d).

6 (d) Before an art association may receive payments under this
7 section, the association's governing board must adopt a resolution that
8 entitles:

9 (1) the governing body of the school corporation to appoint the
10 school corporation's superintendent and director of art instruction
11 as visitors who may attend all meetings of the association's
12 governing board;

13 (2) the governing body of the school corporation to nominate
14 individuals for membership on the association's governing board,
15 with at least two (2) of the nominees to be elected;

16 (3) the school corporation to use the association's facilities and
17 equipment for educational purposes consistent with the
18 association's purposes;

19 (4) the students and teachers of the school corporation to tour the
20 association's museum and galleries free of charge;

21 (5) the school corporation to borrow materials from the
22 association for temporary exhibit in the schools;

23 (6) the teachers of the school corporation to receive normal
24 instruction in the fine and applied arts at half the regular rates
25 charged by the association; and

26 (7) the school corporation to expect exhibits in the association's
27 museum that will supplement the work of the students and
28 teachers of the corporation.

29 A copy of the resolution, certified by the president and secretary of the
30 association, must be filed in the office of the school corporation before
31 payments may be received.

32 (e) A resolution filed under subsection (d) is not required to be
33 renewed annually. The resolution continues in effect until rescinded.
34 An art association that complies with this section is entitled to continue
35 to receive payments under this section as long as the art association
36 complies with the resolution.

37 (f) If more than one (1) art association in a city that is described in
38 subsection (a) qualifies to receive payments under this section, the
39 governing body of the school corporation shall select the one (1) art
40 association best qualified to perform the services described in
41 subsection (d). A school corporation may select only one (1) art
42 association to receive payments under this section.

1 SECTION 781. IC 36-12-14-2, AS AMENDED BY P.L.224-2007,
 2 SECTION 135, IS AMENDED TO READ AS FOLLOWS
 3 [EFFECTIVE UPON PASSAGE]: Sec. 2. An appointed library board
 4 subject to section 1 of this chapter shall submit its proposed operating
 5 budget and property tax levy for the operating budget to the following
 6 fiscal body at least fourteen (14) days before the first meeting of the
 7 county board of tax adjustment (~~before January 1, 2009~~) or the county
 8 board of tax and capital projects review (~~after December 31, 2008~~)
 9 under IC 6-1.1-29-4:

10 (1) If the library district is located entirely within the corporate
 11 boundaries of a municipality, the fiscal body of the municipality.

12 (2) If the library district:

13 (A) is not described by subdivision (1); and

14 (B) is located entirely within the boundaries of a township;
 15 the fiscal body of the township.

16 (3) If the library district is not described by subdivision (1) or (2),
 17 the fiscal body of each county in which the library district is
 18 located.

19 SECTION 782. THE FOLLOWING ARE REPEALED
 20 [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: IC 6-1.1-3-11;
 21 IC 6-1.1-3-12; IC 6-1.1-3-13; IC 6-1.1-10-29; IC 6-1.1-10-29.3;
 22 IC 6-1.1-10-29.5; IC 6-1.1-10-30; IC 6-1.1-10-30.5; IC 6-1.1-10-31.1;
 23 IC 6-1.1-10-31.4; IC 6-1.1-10-31.5; IC 6-1.1-10-31.6; IC 6-1.1-10-31.7;
 24 IC 6-1.1-10-40; IC 6-1.1-10-43; IC 6-1.1-10.1; IC 6-1.1-20.7;
 25 IC 6-1.1-20.8; IC 6-1.1-40-3.

26 SECTION 783. THE FOLLOWING ARE REPEALED
 27 [EFFECTIVE UPON PASSAGE]: IC 3-8-1-23.4; IC 3-8-1-23.5;
 28 IC 3-11-2-12.8; IC 6-1.1-20-3.4; IC 6-1.1-29-1.5; IC 6-1.1-29-2.5;
 29 IC 6-1.1-29.5; P.L.224-2007, SECTION 139; P.L.224-2007, SECTION
 30 140.

31 SECTION 784. THE FOLLOWING ARE REPEALED
 32 [EFFECTIVE JULY 1, 2008]: IC 6-1.1-1-5.5; IC 6-1.1-1-22.7;
 33 IC 6-1.1-4-13.8; IC 6-1.1-35.2-1; IC 6-1.1-35.5-9.

34 SECTION 785. THE FOLLOWING ARE REPEALED
 35 [EFFECTIVE JANUARY 1, 2009] IC 6-1.1-21.2-1; IC 6-1.1-21.2-13;
 36 IC 6-1.1-21.2-14; IC 12-19-1.5.

37 SECTION 786. THE FOLLOWING ARE REPEALED
 38 [EFFECTIVE UPON PASSAGE]: IC 6-3.5-8; IC 12-7-2-117;
 39 IC 12-19-1-11; IC 12-19-1-12; IC 12-19-6; IC 31-9-2-44.3;
 40 IC 31-34-8-5; IC 31-34-23-2.

41 SECTION 787. THE FOLLOWING ARE REPEALED
 42 [EFFECTIVE JULY 1, 2008]: IC 31-26-3; IC 31-34-8-8; IC 31-34-8-9;

1 IC 31-34-24; IC 31-37-24.

2 SECTION 788. THE FOLLOWING ARE REPEALED
3 [EFFECTIVE JANUARY 1, 2009]: IC 5-22-4-9; IC 12-13-8;
4 IC 12-13-9; IC 12-19-5; IC 12-19-7; IC 12-19-7.5; IC 16-35-3;
5 IC 16-35-4; IC 16-35-5; IC 31-19-26; IC 31-25-2-17; IC 31-33-4-4;
6 IC 31-33-21.

7 SECTION 789. THE FOLLOWING ARE REPEALED
8 [EFFECTIVE JANUARY 1, 2009]: IC 20-24-7-12; IC 20-43-1-5;
9 IC 20-43-1-16; IC 20-43-3-5; IC 20-43-3-6; IC 20-43-6-2;
10 IC 20-43-6-4; IC 20-43-6-6; IC 20-45-1-3; IC 20-45-1-4; IC 20-45-1-7;
11 IC 20-45-1-8; IC 20-45-1-9; IC 20-45-1-10; IC 20-45-1-11;
12 IC 20-45-1-13; IC 20-45-1-15; IC 20-45-1-16; IC 20-45-1-17;
13 IC 20-45-1-18; IC 20-45-1-20; IC 20-45-1-21; IC 20-45-1-22;
14 IC 20-45-2; IC 20-45-3.

15 SECTION 790. THE FOLLOWING ARE REPEALED
16 [EFFECTIVE JANUARY 1, 2009]: IC 4-24-7-2; IC 11-10-2-3;
17 IC 12-13-7-17.

18 SECTION 791. THE FOLLOWING ARE REPEALED
19 [EFFECTIVE JANUARY 1, 2009]: IC 20-40-4-2; IC 20-46-2.

20 SECTION 792. THE FOLLOWING ARE REPEALED
21 [EFFECTIVE JANUARY 1, 2009]: IC 6-1.1-19-13; IC 6-1.1-20.6-9;
22 IC 6-1.1-21.7; IC 20-18-2-21.5; IC 20-40-8-9; IC 20-45-1-7;
23 IC 20-45-4; IC 20-45-5; IC 20-45-6; IC 20-46-1-2; IC 20-46-3-8;
24 IC 20-46-4-9; IC 20-49-8.2.

25 SECTION 793. THE FOLLOWING ARE REPEALED
26 [EFFECTIVE JANUARY 1, 2009]: IC 6-1.1-20.6-1; IC 6-1.1-20.6-5;
27 IC 6-1.1-20.6-6; IC 6-1.1-20.6-6.5.

28 SECTION 794. THE FOLLOWING ARE REPEALED
29 [EFFECTIVE JULY 1, 2008]: IC 36-7-14-39.1; IC 36-7-15.1-26.1;
30 IC 36-7-15.1-54.

31 SECTION 795. THE FOLLOWING ARE REPEALED
32 [EFFECTIVE JANUARY 1, 2009]: IC 4-35-8-2; 4-35-8-4;
33 IC 6-1.1-20.9; IC 6-1.1-21; IC 8-22-3.5-10; IC 8-22-3.5-12;
34 IC 36-7-14-39.5; IC 36-7-15.1-26.5; IC 36-7-15.1-26.7;
35 IC 36-7-15.1-26.9; IC 36-7-15.1-56; IC 36-7-30-27; IC 36-7-30.5-32;
36 IC 36-7-32-18.

37 SECTION 796. IC 5-10.3-11-4.5 IS REPEALED [EFFECTIVE
38 JANUARY 1, 2009].

39 SECTION 797. P.L.1-2008, SECTION 5, IS AMENDED TO READ
40 AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 5. (a) The
41 definitions in IC 6-1.1-1, IC 6-1.1-20.9, and IC 6-1.1-21 apply
42 throughout this SECTION.

1 (b) Subject to appropriation of money from the property tax
2 reduction trust fund for an additional 2007 homestead credit, the
3 department of local government finance shall calculate and certify to
4 the department of state revenue and the county auditor of each county
5 an additional homestead credit amount for property taxes first due and
6 payable in 2007. **Except as provided in subsection (h)**, the additional
7 homestead credit shall be paid as a refund as provided in this
8 SECTION for part of the tax liability (as defined in IC 6-1.1-21-5)
9 imposed on the taxpayer's homestead for the March 1, 2006, or January
10 15, 2007, assessment date. The department of local government finance
11 shall make the certification based on the best information available at
12 the time the certification is made. Not later than November 1, 2007, the
13 department of state revenue shall distribute to the county treasurer of
14 each county the amount certified for the county under this subsection.
15 The county treasurer shall deposit the amount distributed in a separate
16 account and use the money only for the purposes of providing property
17 tax refunds under this SECTION.

18 (c) **Except as provided in subsections (i) through (m)**, at the same
19 time as the department of local government finance makes the
20 certification under subsection (b), the department of local government
21 finance shall certify to the county auditor of each county the percentage
22 that would apply in each taxing district to provide an additional 2007
23 homestead credit to taxpayers in the taxing district. The county auditor
24 shall use the certified percentage to determine the amount of the refund
25 due to each taxpayer. The county auditor shall certify the amount of the
26 refund for each taxpayer to the county treasurer not later than the
27 December 20, 2007, settlement date. IC 6-1.1-26 does not apply to a
28 refund granted under this SECTION. The amount of the refund is equal
29 to the lesser of the following:

30 (1) The amount of the taxpayer's tax liability (as defined in
31 IC 6-1.1-21-5) on a homestead for the March 1, 2006, or January
32 15, 2007, assessment date, after the application of all other
33 credits.

34 (2) The additional 2007 homestead credit determined for the
35 taxpayer.

36 The department of local government finance, the department of state
37 revenue, and the property tax replacement fund board shall take the
38 actions necessary to carry out this SECTION.

39 (d) A county legislative body may adopt an ordinance providing that
40 the amount of the refund **or the amount of a credit under subsections**
41 **(h) through (m)** shall be applied first against any delinquent property
42 taxes owed in the county by the taxpayer.

1 (e) The county auditor shall issue a warrant for or authorize
 2 disbursement by electronic transfer of the remainder of the refund. The
 3 refund shall be:

- 4 (1) mailed to the last known address of each person liable for any
 5 property taxes or special assessment, as shown on the tax
 6 duplicate or special assessment records, or to the last known
 7 address of the most recent owner shown in the transfer book; or
 8 (2) transmitted by written, electronic, or other means to a
 9 mortgagee maintaining an escrow account for a person who is
 10 liable for any property taxes or special assessments, as shown on
 11 the tax duplicate or special assessment records.

12 (f) In addition, the county auditor shall mail to the last known
 13 address of each person liable for any property taxes or special
 14 assessment on each homestead in the county, as shown on the tax
 15 duplicate or special assessment records, or to the last known address of
 16 the most recent owner shown in the transfer book a written explanation
 17 of the refund. The explanation must include the amount of the refund
 18 specified in the following statement in at least 12 point type:

19 "A portion of your local property taxes due in 2007 are being
 20 refunded due to tax relief provided by the Indiana General
 21 Assembly. Your refund is in the amount of \$_____ (insert
 22 amount of refund). If you did not receive a check because you pay
 23 your property taxes through an escrow account along with your
 24 mortgage, your lender will receive the refund and should adjust
 25 your payments accordingly."

26 (g) Any part of the amount distributed to a county under this
 27 SECTION that is not applied, ~~or~~ refunded, **or credited** as provided in
 28 this SECTION shall be transferred to the auditor of state for deposit in
 29 the property tax reduction trust fund.

30 **(h) This subsection applies only to a county that issues a**
 31 **reconciling statement for the March 1, 2006, or January 15, 2007,**
 32 **assessment date after December 31, 2007. Notwithstanding any**
 33 **other provision in this SECTION, the fiscal body of a county**
 34 **subject to this subsection may adopt a resolution authorizing the**
 35 **county auditor and the county treasurer:**

- 36 **(1) to pay the additional 2007 homestead credit under this**
 37 **SECTION as a refund as otherwise provided in this**
 38 **SECTION; or**
 39 **(2) to apply the additional 2007 homestead credit under this**
 40 **SECTION in that county as a credit against property tax**
 41 **liability or as a refund.**

42 **If the additional 2007 homestead credit is applied as a refund**

1 under this subsection, it must be provided at the time the
2 reconciling statement is issued. If the additional 2007 homestead
3 credit is applied as a credit under this subsection, it must be
4 applied to the property tax liability on the reconciling statement.
5 If the additional 2007 homestead credit is applied as a credit under
6 this subsection and any part of the additional 2007 homestead
7 credit remains after it has been applied against the taxpayer's
8 property tax liability as shown on the reconciling statement, the
9 county auditor and the county treasurer may apply the remaining
10 part of the credit as a credit against the taxpayer's property tax
11 liability for the March 1, 2007, or January 15, 2008, assessment
12 dates or may refund the remaining part of the credit to the
13 taxpayer in the same manner as refunds under this SECTION are
14 otherwise payable. The department of local government finance
15 may prescribe procedures to apply the additional homestead credit
16 under this subsection.

17 (i) The county fiscal body of a county:

18 (1) that, after December 31, 2007, issues a reconciling
19 statement for property taxes first due and payable in 2007;
20 and

21 (2) in which the percentage increase in taxes billed exceeds
22 thirty percent (30%) for more than one-half (1/2) of the
23 homesteads in the county;

24 may adopt an ordinance to make subsections (j) through (m)
25 applicable to the county.

26 (j) The following definitions apply to subsection (k):

27 (1) "Increase in taxes billed" means the difference between
28 the property taxes payable in 2007 and the property taxes
29 payable in 2006 on a taxpayer's homestead that are billed to
30 a taxpayer, after application of the property tax replacement
31 credit, the state homestead credit, and a local homestead tax
32 credit, if any, and after excluding any increase in taxes billed
33 that results from the new construction of a homestead on the
34 taxpayer's property.

35 (2) "Percentage increase in taxes billed" means the increase
36 in taxes billed divided by the property taxes payable in 2006
37 (expressed as a percentage).

38 (k) Notwithstanding any other provision of this SECTION, the
39 county auditor of a county to which this subsection applies shall
40 determine under this subsection the amount of the additional 2007
41 homestead credit due to eligible taxpayers in the county. An
42 eligible taxpayer in a county subject to this subsection is eligible to

1 receive an additional 2007 homestead credit under this SECTION
2 equal to the following:

3 (1) If the percentage increase in taxes billed to the taxpayer is
4 less than ten percent (10%) or if for property taxes payable in
5 2006 the taxes on the homestead were zero dollars (\$0), the
6 amount of the additional 2007 homestead credit for the
7 taxpayer is equal to the lesser of:

8 (A) fifty dollars (\$50); or

9 (B) the amount of the taxpayer's additional 2007
10 homestead credit as calculated without regard to this
11 subsection.

12 (2) Subject to subsection (1), if the percentage increase in taxes
13 billed to the taxpayer is at least ten percent (10%) but not
14 more than thirty-nine percent (39%), the amount of the
15 additional 2007 homestead credit for the taxpayer is equal to
16 the greater of:

17 (A) one hundred dollars (\$100); or

18 (B) twenty percent (20%) of the increase in taxes billed to
19 the taxpayer.

20 (3) Subject to subsection (1), if the percentage increase in taxes
21 billed to the taxpayer is more than thirty-nine percent (39%),
22 the amount of the additional 2007 homestead credit for the
23 taxpayer is equal to the greatest of:

24 (A) one hundred dollars (\$100);

25 (B) twenty percent (20%) of the increase in taxes billed to
26 the taxpayer; or

27 (C) the amount required to reduce the percentage increase
28 in taxes billed (after application of the credit under this
29 SECTION) to thirty-nine percent (39%).

30 (l) This subsection applies only to a county to which subsection
31 (k) applies. If the total amount distributed by the state of Indiana
32 plus the interest used under subsection (m) is not sufficient to pay
33 the total amount of money required under subsection (k) for the
34 additional 2007 homestead credits in the county, the county auditor
35 and county treasurer shall make an adjustment to provide that:

36 (1) the credit calculation in subsection (k)(2) applies to a
37 taxpayer if the percentage increase in taxes billed to the
38 taxpayer is at least ten percent (10%) but not more than forty
39 percent (40%); and

40 (2) for purposes of subsection (k)(3):

41 (A) the credit calculation in subsection (k)(3) applies to a
42 taxpayer if the percentage increase in taxes billed to the

1 taxpayer is greater than forty percent (40%); and
 2 (B) the amount to be used for purposes of subsection
 3 (k)(3)(C) is the amount required to reduce the percentage
 4 increase in taxes billed (after application of the credit
 5 under this SECTION) to forty percent (40%).

6 (m) This subsection applies only to a county to which subsection
 7 (k) applies. Any interest earned by the county on the money
 8 received from the state of Indiana to pay the additional 2007
 9 homestead credits under this SECTION must be used only to
 10 increase the total amount of money for the additional 2007
 11 homestead credits in the county.

12 (n) If after the application of the distribution formula
 13 prescribed by subsections (k) and (l) of this section the county's
 14 certified additional homestead credit amount would not be fully
 15 distributed, the remaining balance shall be distributed to the
 16 taxpayers covered under subsections (k)(2) and (k)(3) pro rata to
 17 the total amount that would have been distributed under (k)(2) and
 18 (k)(3).

19 ~~(o)~~ (o) This SECTION expires January 1, 2009.

20 SECTION 798. [EFFECTIVE JANUARY 1, 2009] (a) A county
 21 may not impose a property tax levy after December 31, 2008, for
 22 the county general fund to the extent that the levy is for the
 23 reimbursement of the department of correction under IC 11-10-2-3
 24 (before its repeal by this act) or a related provision for the costs of
 25 keeping delinquent offenders.

26 (b) The obligation to pay the costs of keeping delinquent
 27 offenders (as defined in IC 11-8-1-9), to the extent that the costs are
 28 for services delivered after December 31, 2008, is transferred from
 29 the counties to the state. The obligation transferred includes the
 30 costs of using after December 31, 2008, an institution or a facility
 31 in Indiana for providing educational services that, before January
 32 1, 2009, were chargeable to a county family and children's fund, a
 33 county office, or a county under IC 20-26-11-12, IC 20-26-11-13, or
 34 IC 20-33-2-29.

35 (c) The following definitions apply throughout this subsection:

36 (1) "Account" means an obligation of a county under
 37 IC 11-10-2-3 (before its repeal by this act) or another law to
 38 reimburse the state, including the department of correction,
 39 for the cost of keeping a delinquent offender before January
 40 1, 2009.

41 (2) "Delinquent account" means an account that has not been
 42 paid to the state before six (6) months after the account is

1 forwarded under this SECTION or IC 4-24-7-4 (before its
2 amendment by this act).

3 All accounts accruing before January 1, 2009, and not previously
4 forwarded to a county auditor, and any reconciliations for any
5 period before January 1, 2009, shall be forwarded to the county
6 auditor before March 16, 2009. Upon receipt of an account, the
7 county auditor shall draw a warrant on the treasurer of the county
8 for the payment of the account, which shall be paid from the funds
9 of the county that were appropriated for the payment. The county
10 council of each county shall appropriate sufficient funds to pay
11 these accounts.

12 (d) A county and the department of correction may enter into
13 agreements to resolve any issues arising under this act concerning
14 payments to vendors, payments to the county, payments to the
15 state (including payments due for commitments before January 1,
16 2009), collection of amounts due to a county or the state from a
17 parent, guardian, or custodian, and other matters affected by this
18 act. Notwithstanding this act, the agreement, if approved by the
19 governor and the county fiscal body, governs the responsibilities of
20 the state and the county.

21 (e) This SECTION applies notwithstanding any other law.

22 SECTION 799. [EFFECTIVE JANUARY 1, 2008
23 (RETROACTIVE)] (a) A county may not impose a property tax levy
24 under IC 12-13-8 for an assessment date after January 15, 2008.

25 (b) Notwithstanding the abolishment by this act of each county's
26 county medical assistance to wards fund, a county auditor shall
27 separately account for and transfer:

28 (1) the unencumbered balance on December 31, 2008, of the
29 county's county medical assistance to wards fund; and

30 (2) any delinquent property tax payments and other amounts
31 that would have been deposited after December 31, 2008, in
32 the county's county medical assistance to wards fund if
33 IC 12-13-8 had not been repealed by this act;

34 to the state after December 31, 2008, in the manner provided in
35 IC 12-13-9-1 (before its repeal by this act). The auditor of state
36 shall deposit an amount transferred under this subsection in the
37 state general fund for use by the office of the secretary of family
38 and social services to defray the expenses and obligations incurred
39 by the office of the secretary of the family and social services for
40 medical assistance to wards and associated administrative costs.

41 (c) Any unencumbered balance in the state medical assistance
42 to wards fund on December 31, 2008, shall be transferred to the

1 state general fund.

2 (d) In addition to the amount appropriated to the family and
3 social services administration in P.L.234-2007, there is
4 appropriated twelve million one hundred ninety thousand three
5 hundred fifty-eight dollars (\$12,190,358) to the family and social
6 services administration from the state general fund to defray the
7 expenses and obligations incurred by the family and social services
8 administration for medical assistance to wards and associated
9 administrative costs, beginning July 1, 2008, and ending June 30,
10 2009. Augmentation allowed (as defined in P.L.234-2007,
11 SECTION 1).

12 SECTION 800. [EFFECTIVE JULY 1, 2007 (RETROACTIVE)] (a)
13 A county may not impose a property tax levy under IC 12-19-7 for
14 an assessment date after January 15, 2008.

15 (b) Notwithstanding the abolishment by this act of each county's
16 family and children's fund, a county auditor shall separately
17 account for:

- 18 (1) the unencumbered balance on December 31, 2008, of the
19 county's family and children's fund; and
20 (2) any delinquent property tax payments and other amounts
21 that would have been deposited after December 31, 2008, in
22 the county's family and children's fund if IC 12-19-7 had not
23 been repealed by this act.

24 Money retained under this subsection may be used only to pay the
25 county's obligations described in subsection (c) or (d). After all the
26 obligations described in subsection (c) or (d) are satisfied, any
27 remaining balance shall be deposited in the county's levy excess
28 fund under IC 6-1.1-18.5-17 and used for the purposes of the fund.

29 (c) Notwithstanding the repeal of IC 12-19-7 by this act, a
30 county's obligation to pay for the following services delivered
31 before January 1, 2009, is not terminated:

- 32 (1) Child services (as defined in IC 12-19-7-1 (as effective
33 before its repeal)).
34 (2) Other services described in IC 31-40-1-2 (as effective
35 December 31, 2008) that would have been payable from the
36 county's family and children's fund if IC 12-19-7 had not been
37 repealed by this act.

38 (d) A county's obligation to levy property taxes to pay principal,
39 interest, and other costs of any:

- 40 (1) loans that were entered into; or
41 (2) bonds that were issued;

42 under IC 12-19-5 or IC 12-19-7 (before their repeal by this act) to

1 meet obligations described in subsection (c) is transferred to the
2 county's debt service fund. A county may impose a property tax
3 levy for an assessment date after January 15, 2008, for the county's
4 debt service fund that is sufficient to pay the principal, interest,
5 and other costs of loans and bond obligations transferred under
6 this subsection.

7 (e) A county may impose a property tax levy in 2009 for the
8 county debt service fund to pay any shortfall in revenue from the
9 county's family and children's fund (before its repeal) needed to
10 pay the obligations described in subsection (c) after the application
11 of the amounts retained under subsection (b) and the proceeds of
12 bonds and loans described in subsection (d).

13 (f) Notwithstanding the repeal of IC 12-19-7 and the amendment
14 of IC 31-40 by this act, the obligation of a parent or guardian of the
15 estate of a child to reimburse a county and to pay fees for services
16 described in subsection (c) is not terminated. A juvenile court or
17 county may enforce the obligation by any legal or equitable remedy
18 permitted by law, including any procedure under IC 31-40 (as
19 effective December 31, 2008).

20 (g) In addition to the amount appropriated to the department of
21 child services in P.L.234-2007, there is appropriated two hundred
22 thirty-nine million nine hundred eighty thousand five hundred two
23 dollars (\$239,980,502) to the department of child services from the
24 state general fund to pay for:

25 (1) child services (as defined in IC 31-9-2-17.8 (as added by
26 this act)) delivered after December 31, 2008; and

27 (2) other services payable by the department of child services
28 for services delivered after December 31, 2008;

29 beginning July 1, 2008, and ending June 30, 2009. Augmentation
30 allowed (as defined in P.L.234-2007, SECTION 1). If a county paid
31 a cost that is an obligation of the department of child services, the
32 department of child services may reimburse the county from the
33 amount appropriated by this subsection. The county shall account
34 for and use the reimbursement in the manner provided under
35 subsection (b).

36 (h) The following are also appropriated to the department of
37 child services for the purposes described in subsection (g),
38 beginning July 1, 2008, and ending June 30, 2009:

39 (1) All grants received from the federal government under
40 Title IV-B of the Social Security Act (42 U.S.C. 620 et seq.),
41 the Child Abuse Prevention and Treatment Act (42 U.S.C.
42 5106 et seq.), or any other federal or state government

1 **program that:**

2 **(A) is intended to provide funding for services and**
3 **programs administered by the department; and**

4 **(B) is not required by applicable law or the terms of the**
5 **grant to be received and administered through a separate**
6 **fund.**

7 **(2) All funds received by the department under Title IV-E of**
8 **the Social Security Act (42 U.S.C. 670 et seq.) as payment or**
9 **reimbursement for eligible expenses for child services.**

10 **(3) All reimbursements or support payments collected or**
11 **received by the department for application to the cost of**
12 **services provided to or for the benefit of children in need of**
13 **services or delinquent children.**

14 **(i) Notwithstanding any other provision, payment for child**
15 **services (as defined in IC 31-9-2-17.8 (as added by this act)) shall**
16 **be made not later than sixty (60) days after the date the**
17 **department of child services receives the service provider's invoice**
18 **together with a properly prepared claim voucher and**
19 **documentation.**

20 SECTION 801. [EFFECTIVE JULY 1, 2007 (RETROACTIVE)] (a)
21 **A county may not impose a property tax levy under IC 12-19-7.5**
22 **for an assessment date after January 15, 2008.**

23 **(b) Notwithstanding the abolishment by this act of each county's**
24 **children's psychiatric residential treatment services fund, a county**
25 **auditor shall separately account for:**

26 **(1) the unencumbered balance on December 31, 2008, of the**
27 **county's children's psychiatric residential treatment services**
28 **fund; and**

29 **(2) any delinquent property tax payments and other amounts**
30 **that would have been deposited after December 31, 2008, in**
31 **the county's children's psychiatric residential treatment**
32 **services fund if IC 12-19-7.5 had not been repealed by this act.**

33 **Money retained under this subsection may be used only to pay the**
34 **county's obligations described in subsection (c) or (d). After all the**
35 **obligations described in subsection (c) or (d) are satisfied, any**
36 **remaining balance shall be deposited in the county's levy excess**
37 **fund under IC 6-1.1-18.5-17 and used for the purposes of the fund.**

38 **(c) Notwithstanding the repeal of IC 12-19-7 by this act, a**
39 **county's obligation to pay for the following services delivered**
40 **before January 1, 2009, is not terminated:**

41 **(1) Children's psychiatric residential treatment services (as**
42 **defined in IC 12-19-7.5-1 (as effective before its repeal)).**

1 **(2) Other services described in IC 31-40-1-2 (as effective**
2 **December 31, 2008) that would have been payable from the**
3 **county's children's psychiatric residential treatment services**
4 **fund if IC 12-19-7.5 had not been repealed by this act.**

5 **(d) A county's obligation to levy property taxes to pay principal,**
6 **interest, and other costs of any:**

7 **(1) loans that were entered into; or**

8 **(2) bonds that were issued;**

9 **under IC 12-19-5 or IC 12-19-7.5 (before their repeal by this act)**
10 **to meet obligations described in subsection (c) is transferred to the**
11 **county's debt service fund. A county may impose a property tax**
12 **levy for an assessment date after January 15, 2008, for the county's**
13 **debt service fund that is sufficient to pay the principal, interest,**
14 **and other costs of loans and bond obligations transferred under**
15 **this subsection.**

16 **(e) A county may impose a property tax levy in 2009 for the**
17 **county debt service fund to pay any shortfall in revenue from the**
18 **county's children's psychiatric residential treatment services fund**
19 **(before its repeal) needed to pay the obligations described in**
20 **subsection (c) after the application of the amounts retained under**
21 **subsection (b) and the proceeds of bonds and loans described in**
22 **subsection (d).**

23 **(f) Notwithstanding the repeal of IC 12-19-7.5 and the**
24 **amendment of IC 31-40 by this act, the obligation of a parent or**
25 **guardian of the estate of a child to reimburse a county and to pay**
26 **fees for services described in subsection (c) is not terminated. A**
27 **juvenile court or county may enforce the obligation by any legal or**
28 **equitable remedy permitted by law, including any procedure under**
29 **IC 31-40 (as effective December 31, 2008).**

30 **(g) In addition to the amount appropriated to the family and**
31 **social services administration in P.L.234-2007, there is**
32 **appropriated to the family and social services administration,**
33 **beginning July 1, 2008, and ending June 30, 2009, ten million two**
34 **hundred eleven thousand nine hundred twenty dollars**
35 **(\$10,211,920) from the state general fund to pay the costs for**
36 **children's psychiatric residential treatment services (as defined in**
37 **IC 12-19-7.5-1 (repealed)) delivered after December 31, 2008,**
38 **beginning July 1, 2008, and ending June 30, 2009. Augmentation**
39 **allowed (as defined in P.L.234-2007, SECTION 1). Costs shall be**
40 **paid in the manner determined by the office of the secretary of**
41 **family and social services. If a county paid a cost that is an**
42 **obligation of the office of the secretary of family and social**

1 services, the office may reimburse the county from the amount
 2 appropriated under this subsection. The county shall account for
 3 and use the reimbursement in the manner provided under
 4 subsection (b).

5 SECTION 802. [EFFECTIVE JULY 1, 2007 (RETROACTIVE)] (a)
 6 Money in a county family and children trust clearance fund
 7 established under IC 12-19-1-16 (as effective December 31, 2008)
 8 on December 31, 2008, that is required to be administered in a
 9 child trust clearance account established by IC 31-25-2-20.2, as
 10 added by this act, shall be transferred to the child trust clearance
 11 account.

12 (b) Money in a fund established under IC 12-19-1-15 (as
 13 effective December 31, 2008) or IC 12-19-1-16 (as effective
 14 December 31, 2008) on December 31, 2008, that is not transferred
 15 under subsection (a) shall be transferred to the appropriate
 16 account in the family resources trust clearance fund established by
 17 IC 12-19-1-16, as amended by this act.

18 (c) A county and any combination of:

- 19 (1) the office of the secretary of family and social services;
- 20 (2) the division of family resources;
- 21 (3) the department of child services; and
- 22 (4) the state department of health;

23 may enter into agreements to resolve any issues arising under this
 24 act concerning payments to vendors, payments to the county,
 25 payments to the state, collection of amounts due to a county or the
 26 state from a parent, guardian, or custodian, and other matters
 27 affected by this act. Notwithstanding any other law, the agreement,
 28 if approved by the governor and the county fiscal body, governs
 29 the responsibilities of the state and the county.

30 (d) A reference in a law or other document to:

- 31 (1) child services (as defined in IC 12-19-7-1 (repealed)) shall
 32 be treated after December 31, 2008, as a reference to child
 33 services (as defined in IC 31-9-2-17.8, as added by this act);
 34 and

- 35 (2) a county office of family and children shall be treated after
 36 the effective date of this SECTION as a reference to:

37 (A) the division of family resources and a local office (as
 38 defined in IC 12-7-2-124.8, as added by this act) for
 39 activities subject to IC 12; and

40 (B) the department of child services and a local office (as
 41 defined in IC 31-9-2-76.6, as added by this act) for
 42 activities subject to IC 31.

1 SECTION 803. [EFFECTIVE JANUARY 1, 2008
2 (RETROACTIVE)] (a) A county may not impose a property tax levy
3 under IC 16-35-3 for an assessment date after January 15, 2008.

4 (b) Notwithstanding the abolishment by this act of each county's
5 children with special health care needs county fund, a county
6 auditor shall separately account for and transfer:

7 (1) the unencumbered balance on December 31, 2008, of the
8 county's children with special health care needs county fund;
9 and

10 (2) any delinquent property tax payments and other amounts
11 that would have been deposited after December 31, 2008, in
12 the county's children with special health care needs county
13 fund if IC 16-35-3 had not been repealed by this act;

14 to the state after December 31, 2008, in the manner provided in
15 IC 16-35-4-2 (before its repeal by this act). The auditor of state
16 shall deposit an amount transferred under this subsection in the
17 state general fund for use by the state department of health for
18 expenses and obligations incurred by the state department of
19 health for services to children with special health care needs.

20 (c) Any unencumbered balance in the children with special
21 health care needs state fund on December 31, 2008, shall be
22 transferred to the state general fund.

23 (d) Any unencumbered balance in the children with special
24 health care needs federal fund on December 31, 2008, shall be
25 transferred to the appropriate account determined by the budget
26 agency. The money must be accounted for and used in a manner
27 consistent with the terms of the federal grant that provided the
28 money.

29 (e) In addition to the amount appropriated to the state
30 department of health in P.L.234-2007, including the amount
31 appropriated to the state department of health, there is
32 appropriated, beginning July 1, 2008, and ending June 30, 2009,
33 five million two hundred forty-one thousand seven hundred
34 ninety-eight dollars (\$5,241,798) from the state general fund for
35 expenses and obligations incurred by the state department of
36 health for services to children with special health care needs.
37 Augmentation allowed (as defined in P.L.234-2007, SECTION 1).

38 SECTION 804. [EFFECTIVE UPON PASSAGE] The trustees of
39 the following institution may issue and sell bonds under IC 21-34,
40 subject to the approvals required by IC 21-33-3, for the following
41 project if the sum of principal costs of any bond issued under this
42 SECTION, excluding amounts necessary to provide money for debt

1 **service reserves, credit enhancement, or other costs incidental to**
 2 **the issuance of the bonds, does not exceed the total authority listed**
 3 **below for that institution:**

4 **Indiana University, Purdue University at Fort Wayne**
 5 **Student Services and Library Complex \$16,000,000**

6 **Bonds issued under this SECTION are not eligible for fee**
 7 **replacement appropriations. The bonding authority granted by this**
 8 **SECTION is in addition to any bonding authority granted to the**
 9 **trustees of the institution for a student services and library**
 10 **complex by P.L.234-2007, SECTION 179(a).**

11 SECTION 805. P.L.234-2007, SECTION 179 IS AMENDED TO
 12 READ AS FOLLOWS: [EFFECTIVE JULY 1, 2007
 13 (RETROACTIVE)] SECTION 179. (a) The trustees of the following
 14 institutions may issue and sell bonds under IC 21-34, subject to the
 15 approvals required by IC 21-33-3, for the following projects if the sum
 16 of principal costs of any bond issued, excluding amounts necessary to
 17 provide money for debt service reserves, credit enhancement, or other
 18 costs incidental to the issuance of the bonds, does not exceed the total
 19 authority listed below for that institution:

20	Indiana University South Bend - Arts Building	
21	Renovation	\$27,000,000
22	Indiana University Bloomington - Cyber	
23	Infrastructure Building	18,300,000
24	Indiana University, Purdue University at	
25	Indianapolis - Neurosciences Research Building	20,000,000
26	Indiana University Southeast Medical	
27	Education Center A & E	1,000,000
28	Indiana State University - Life Sciences/Chemistry	
29	Laboratory Renovations	
30	and Satellite Chiller Capacity	14,800,000
31	Ball State University - Central Campus	
32	Academic Project, Phase I & Utilities	33,000,000
33	Ivy Tech-Fort Wayne Technology Center	
34	and Demolition Costs	26,700,000
35	Ivy Tech - Indianapolis Community College	
36	for the Fall Creek Expansion Project	69,370,000
37	Ivy Tech - Lamkin Center for Instructional	
38	Development and Leadership	1,000,000
39	Ivy Tech - Logansport	16,000,000
40	Ivy Tech - Sellersburg	20,000,000
41	Ivy Tech - Warsaw A & E	1,000,000
42	Ivy Tech - Muncie\Anderson A & E	4,800,000

1	Ivy Tech - Elkhart Phase I	16,000,000
2	Ivy Tech - Greencastle	8,000,000
3	Purdue University Calumet - Gyt Building A & E	2,400,000
4	Purdue University North Central -	
5	Student Services & Recreation Center A & E	1,000,000
6	University of Southern Indiana College of	
7	Business - General Classroom Building	29,900,000
8	Vincennes University - Health and Science	
9	Lab Rehabilitation	2,000,000
10	Indiana University, Purdue University at Fort Wayne	
11	Student Services and Library Complex	24,000,000

12 (b) The trustees of the following institution may issue and sell bonds
 13 under IC 21-34, subject to the approvals required by IC 21-33-3, for the
 14 following project if the sum of principal costs of any bond issued,
 15 excluding amounts necessary to provide money for debt service
 16 reserves, credit enhancement, or other costs incidental to the issuance
 17 of the bonds, does not exceed the total authority listed below for that
 18 institution:

19	Purdue University West Lafayette - Mechanical	
20	Engineering Addition	\$33,000,000

21 The foregoing project is not eligible for fee replacement appropriations.

22 (c) The trustees of the following institution may issue and sell bonds
 23 under IC 21-34, subject to the approvals required by IC 21-33-3, for the
 24 following project if the sum of principal costs of any bond issued,
 25 excluding amounts necessary to provide money for debt service
 26 reserves, credit enhancement, or other costs incidental to the issuance
 27 of the bonds, does not exceed the total authority listed below for that
 28 institution:

29	Purdue University West Lafayette -	
30	Boiler No. 6	\$53,000,000

31 The institution shall invite bids as provided under IC 21-37-3-3. The
 32 bids shall be open to inspection by the public.

33 SECTION 806. [EFFECTIVE UPON PASSAGE] (a) **The**
 34 **commission on state tax and financing policy established under**
 35 **IC 2-5-3 shall study alternative methods for distribution within a**
 36 **county of taxes imposed under IC 6-3.5-1.1, IC 6-3.5-6, and**
 37 **IC 6-3.5-7.**

38 (b) **Before November 1, 2008, the commission on state tax and**
 39 **financing policy shall report findings and make recommendations**
 40 **concerning the study topic described in subsection (a) in a final**
 41 **report to the legislative council in an electronic format under**
 42 **IC 5-14-6.**

1 SECTION 807. [EFFECTIVE JANUARY 1, 2008
2 (RETROACTIVE)] (a) This SECTION applies only to an individual
3 who in 2008 paid property taxes that:

4 (1) were imposed on the individual's principal place of
5 residence for the March 1, 2006, assessment date or the
6 January 15, 2007, assessment date;

7 (2) are due after December 31, 2007; and

8 (3) are paid on or before the due date for the property taxes.

9 (b) As used in this SECTION, "adjusted gross income" has the
10 meaning set forth in IC 6-3-1-3.5.

11 (c) An individual described in subsection (a) is entitled to a
12 deduction from adjusted gross income for a taxable year beginning
13 after December 31, 2007, and before January 1, 2009, in an amount
14 equal to the amount determined in the following STEPS:

15 STEP ONE: Determine the lesser of:

16 (1) two thousand five hundred dollars (\$2,500); or

17 (2) the total amount of property taxes imposed on the
18 individual's principal place of residence for the March 1,
19 2006, assessment date or the January 15, 2007, assessment
20 date and paid in 2007 or 2008.

21 STEP TWO: Determine the greater of zero (0) or the result
22 of:

23 (1) the STEP ONE result; minus

24 (2) the total amount of property taxes that:

25 (A) were imposed on the individual's principal place of
26 residence for the March 1, 2006, assessment date or the
27 January 15, 2007, assessment date;

28 (B) were paid in 2007; and

29 (C) were deducted from adjusted gross income under
30 IC 6-3-1-3.5(a)(17) by the individual on the individual's
31 state income tax return for a taxable year beginning
32 before January 1, 2008.

33 (d) The deduction under this SECTION is in addition to any
34 deduction that an individual is otherwise entitled to claim under
35 IC 6-3-1-3.5(a)(17). However, an individual may not deduct under
36 IC 6-3-1-3.5(a)(17) any property taxes deducted under this
37 SECTION.

38 SECTION 808. [EFFECTIVE JULY 1, 2008] (a) This SECTION
39 applies to an elected township assessor:

40 (1) for whom the county assessor performs the duties of
41 township assessor after June 30, 2008, under IC 36-6-5-2(a),
42 as amended by this act; and

1 **(2) who before July 1, 2008, is:**

2 **(A) elected to; or**

3 **(B) selected to fill a vacancy in;**

4 **the office of elected township assessor.**

5 **(b) Notwithstanding any other provision of this act, an elected**
 6 **township assessor referred to in subsection (a) is entitled to remain**
 7 **in office until the end of the term to which the individual was**
 8 **elected or for which the individual was selected to fill a vacancy.**
 9 **The sole duty of the individual after June 30, 2008, is to assist the**
 10 **county assessor in the transfer, effective July 1, 2008, of records**
 11 **and operations from the township assessor to the county assessor**
 12 **under this act.**

13 **(c) If the office of township assessor is subject to the election on**
 14 **November 4, 2008, the term of office of the incumbent township**
 15 **assessor as of that date ends on December 31, 2008.**

16 **(d) This SECTION expires January 1, 2013.**

17 SECTION 809. [EFFECTIVE UPON PASSAGE] **(a) Except as**
 18 **provided in subsection (b), IC 3-13-11 does not apply to a vacancy**
 19 **in the office of elected township assessor that occurs after the**
 20 **effective date of this SECTION and before July 1, 2008, in a**
 21 **township in which the number of parcels of real property on**
 22 **January 1, 2008, is less than fifteen thousand (15,000).**

23 **(b) Subsection (a) does not apply to a township:**

24 **(1) in which the number of parcels of real property on**
 25 **January 1, 2008, is at least ten thousand (10,000); and**

26 **(2) in which all or part of an international airport is located.**

27 **(c) This SECTION expires July 1, 2008.**

28 SECTION 810. [EFFECTIVE JULY 1, 2008] **(a) Each:**

29 **(1) elected township assessor; or**

30 **(2) township trustee-assessor;**

31 **whose duties relating to the assessment of tangible property are**
 32 **transferred to the county assessor under this act shall organize the**
 33 **records of the township assessor's office relating to the assessment**
 34 **of tangible property in a manner prescribed by the department of**
 35 **local government finance and transfer the records to the county**
 36 **assessor as directed by the department. The department shall,**
 37 **before July 1, 2008, determine a procedure and schedule for the**
 38 **transfer of the records. A township assessor shall complete the**
 39 **transfer of records and operations to the county assessor before the**
 40 **date of transfer of duties described in this subsection.**

41 **(b) The assessors shall assist each other and coordinate their**
 42 **efforts to:**

1 **(1) ensure an orderly transfer of all township assessor records**
 2 **to the county assessor; and**

3 **(2) provide for an uninterrupted and professional transition**
 4 **of the property assessment functions from the township**
 5 **assessor to the county assessor consistent with the directions**
 6 **of the department of local government finance and this act.**

7 **(c) This SECTION expires January 1, 2013.**

8 SECTION 811. [EFFECTIVE JULY 1, 2008] **(a) This act does not**
 9 **affect any assessment, assessment appeal, or other official action**
 10 **of a township assessor made before expiration of the township**
 11 **assessor's term. Any assessment, assessment appeal, or other**
 12 **official action of a township assessor made by a township assessor**
 13 **within the scope of the township assessor's official duties under**
 14 **IC 6-1.1 or IC 36-6-5, before their amendment by this act, before**
 15 **expiration of the township assessor's term shall be considered as**
 16 **having been made by the county assessor.**

17 **(b) This act does not affect any pending action against, or the**
 18 **rights of any party that may possess a legal claim against, a**
 19 **township assessor that is not described in subsection (a).**

20 **(c) This SECTION expires January 1, 2013.**

21 SECTION 812. [EFFECTIVE JULY 1, 2008] **(a) The department**
 22 **of local government finance shall adjust the maximum permissible**
 23 **ad valorem tax levy of a county and a township in the county to**
 24 **reflect the transfer of records and operations from the township**
 25 **assessor to the county assessor under this act. The adjusted**
 26 **maximum permissible ad valorem tax levies determined under this**
 27 **SECTION apply to property taxes first due and payable in the**
 28 **calendar year following the calendar year in which the transfer of**
 29 **records and operations was completed.**

30 **(b) This SECTION expires January 1, 2013.**

31 SECTION 813. [EFFECTIVE UPON PASSAGE] **(a) The following**
 32 **are transferred to the county assessor:**

33 **(1) On July 1, 2008:**

34 **(A) employment positions as of June 30, 2008, of each**
 35 **elected township assessor in the county whose duties**
 36 **relating to the assessment of tangible property are**
 37 **transferred to the county assessor under this act,**
 38 **including:**

39 **(i) the employment position of the elected township**
 40 **assessor; and**

41 **(ii) the employment positions of all employees of the**
 42 **elected township assessor;**

- 1 **(B) real and personal property of:**
 2 (i) elected township assessors in the county whose duties
 3 relating to the assessment of tangible property are
 4 transferred to the county assessor under this act; and
 5 (ii) township trustee-assessors in the county;
 6 used solely to carry out property assessment duties;
- 7 **(C) obligations outstanding on June 30, 2008, of:**
 8 (i) elected township assessors in the county whose duties
 9 relating to the assessment of tangible property are
 10 transferred to the county assessor under this act; and
 11 (ii) township trustee-assessors in the county;
 12 relating to the assessment of tangible property; and
- 13 **(D) funds on hand for the purpose of carrying out property**
 14 **assessment duties in the amount determined by the county**
 15 **auditor.**
- 16 **(2) On the date after June 30, 2008, on which an elected**
 17 **township assessor who remains in office under this act with**
 18 **the sole duty of transferring records and operations from the**
 19 **township assessor to the county assessor leaves office, funds**
 20 **on hand for the operation of the assessor's office in the**
 21 **amount determined by the county auditor.**
- 22 **(b) Before July 1, 2008, the county assessor shall interview, or**
 23 **give the opportunity to interview to, each individual who:**
 24 **(1) is an employee of:**
 25 (A) an elected township assessor in the county whose duties
 26 relating to the assessment of tangible property are
 27 transferred to the county assessor under this act; or
 28 (B) a trustee-assessor in the county;
 29 as of the effective date of this SECTION; and
- 30 **(2) applies before June 1, 2008, for an employment position**
 31 **referred to in subsection (a)(1)(A).**
- 32 **(c) A township served on June 30, 2008, by a township assessor**
 33 **whose duties relating to the assessment of tangible property are**
 34 **transferred to the county assessor under this act shall transfer to**
 35 **the county assessor all revenue received after June 30, 2008, that**
 36 **is received by the township for the purpose of carrying out**
 37 **property assessment duties in the amount determined by the**
 38 **county auditor.**
- 39 SECTION 814. [EFFECTIVE UPON PASSAGE] **(a) Before April**
 40 **15, 2008, each county auditor shall certify to the county assessor,**
 41 **the executive (as defined in IC 36-1-2-5) of the county, the fiscal**
 42 **body (as defined in IC 36-1-2-6) of the county, and the county**

1 election board the name of:

2 (1) each township in the county in which the number of
3 parcels of real property on January 1, 2008, is at least fifteen
4 thousand (15,000); and

5 (2) each township in the county:

6 (A) in which the number of parcels of real property on
7 January 1, 2008, is at least ten thousand (10,000); and

8 (B) in which all or part of an international airport is
9 located.

10 (b) This SECTION expires July 1, 2008.

11 SECTION 815. [EFFECTIVE UPON PASSAGE] (a) The
12 commission on state tax and financing policy established under
13 IC 2-5-3 shall:

14 (1) study whether it is reasonable and appropriate to require
15 all counties to use a single state designed software system to
16 provide a uniform and common property tax management
17 system;

18 (2) if the commission's findings in the study under subdivision
19 (1) are in the affirmative, study whether it is reasonable and
20 appropriate for the state to fund any part of the system
21 referred to in subdivision (1); and

22 (3) report the commission's findings in writing to:

23 (A) the budget committee; and

24 (B) the legislative council in an electronic format under
25 IC 5-14-6.

26 (b) This SECTION expires July 1, 2009.

27 SECTION 816. [EFFECTIVE UPON PASSAGE] (a) The pension
28 oversight management commission established under IC 2-5-12
29 shall:

30 (1) study issues related to the payment of benefits under the
31 1925 police pension fund (IC 36-8-6), the 1937 firefighters'
32 pension fund (IC 36-8-7), and the 1953 police pension fund
33 (IC 36-8-7.5) by the state of Indiana; and

34 (2) report the commission's findings in writing to:

35 (A) the budget committee; and

36 (B) the legislative council in an electronic format under
37 IC 5-14-6.

38 (b) This SECTION expires July 1, 2009.

39 SECTION 817. [EFFECTIVE JANUARY 1, 2003
40 (RETROACTIVE)] In enacting IC 6-1.1-3-23, the general assembly
41 finds the following:

42 (1) The economy of northwest Indiana has historically been

- 1 **heavily dependent upon:**
- 2 **(A) the domestic steel industry, particularly the integrated**
- 3 **steel mill business, which produces steel from basic raw**
- 4 **materials through blast furnace and related operations;**
- 5 **and**
- 6 **(B) the oil refining and petrochemical industry.**
- 7 **(2) Northwest Indiana is the only area of Indiana with**
- 8 **integrated steelmaking facilities.**
- 9 **(3) During the last thirty (30) years the domestic steel industry**
- 10 **has experienced significant financial difficulties. More than**
- 11 **one-half (1/2) of the integrated steel mills in the United States**
- 12 **were shut down or deintegrated, with the remainder requiring**
- 13 **significant investment and the addition of new processes to**
- 14 **make the facilities economically competitive with newer**
- 15 **foreign and domestic steelmaking facilities and processes.**
- 16 **(4) The United States needs to protect the capacity of the oil**
- 17 **refining and petrochemical industry. No oil refineries have**
- 18 **been built in the United States since 1976.**
- 19 **(5) Given the economic conditions affecting older integrated**
- 20 **steelmaking facilities, integrated steel mills claimed abnormal**
- 21 **obsolescence in reporting the assessed value of equipment**
- 22 **located at the integrated steelmaking facilities that began**
- 23 **operations before 1970, thereby reporting the equipment's**
- 24 **assessed value at far below thirty percent (30%) of the**
- 25 **equipment's total cost (far below the "thirty percent (30%)**
- 26 **floor" value generally applicable to equipment exhibiting only**
- 27 **normal obsolescence under the current department of local**
- 28 **government finance rules).**
- 29 **(6) Current law existing before the effective date of this**
- 30 **SECTION obligates the taxpayers making abnormal**
- 31 **obsolescence claims to pay personal property taxes based only**
- 32 **on, and permits communities to determine property tax**
- 33 **budgets and rates based only on, the reported personal**
- 34 **property assessed values until the personal property appeals**
- 35 **are resolved. Consequently, as a result of abnormal**
- 36 **obsolescence claims, the property tax base of communities in**
- 37 **northwest Indiana is severely reduced for an indeterminate**
- 38 **period (if not permanently). The prospect of future appeals**
- 39 **and their attendant problems on an ongoing basis must be**
- 40 **addressed.**
- 41 **(7) A new, optional method for valuing the equipment of**
- 42 **integrated steel mills and the oil refining and petrochemical**

1 industry in northwest Indiana is needed. That optional
2 method:

3 (A) recognizes the loss of value and difficulty in valuing
4 equipment at integrated steelmaking facilities and facilities
5 of the oil refining and petrochemical industry that
6 commenced operations decades ago;

7 (B) recognizes that depreciable personal property used in
8 integrated steelmaking and in oil refinery or petrochemical
9 operations is affected by different economic and market
10 forces than depreciable personal property used in other
11 industries and other segments of the steel industry and
12 therefore experiences different amounts of obsolescence
13 and depreciation; and

14 (C) can be used to simply and efficiently arrive at a value
15 commensurate with that property's age, use, obsolescence,
16 and market circumstances instead of the current method
17 and its potentially contentious and lengthy appeals. Such
18 an optional method would benefit the communities where
19 these older facilities are located.

20 (8) Such an optional method would be to authorize a fifth pool
21 in the depreciation schedule for valuing the equipment of
22 integrated steel mills and the oil refining and petrochemical
23 industry that reflects all adjustments to the value of that
24 equipment for depreciation and obsolescence, including
25 abnormal obsolescence, which precludes any taxpayer electing
26 such a method from taking any other obsolescence adjustment
27 for the equipment, and which applies only at the election of
28 the taxpayer.

29 (9) The purpose for authorizing the Pool 5 method is to
30 provide a more simplified and efficient method of valuing the
31 equipment of integrated steel mills and the oil refining and
32 petrochemical industry that recognizes the loss of value and
33 unusual problems associated with the valuation of the
34 equipment or facilities that began operations before 1970 in
35 those industries in northwest Indiana, to stabilize local
36 property tax revenue by eliminating the need for abnormal
37 obsolescence claims, and to encourage those industries to
38 continue to invest in northwest Indiana, thereby contributing
39 to the economic life and well-being of communities in
40 northwest Indiana, the residents of northwest Indiana, and
41 the state of Indiana generally.

42 (10) The specific circumstances described in this section do

1 **not exist throughout the rest of Indiana.**

2 SECTION 818. [EFFECTIVE JULY 1, 2008] **IC 1-1-5-1 applies to**
 3 **the expiration of IC 14-23-3-3 and IC 15-1.5-8, both as amended by**
 4 **this act. Liability and penalties for delinquent tax payments for a**
 5 **property tax imposed under IC 14-23-3-3 or IC 15-1.5-8 before**
 6 **January 1, 2010, are not extinguished as a result of the expiration**
 7 **of these provisions under this act. Delinquent property taxes**
 8 **collected after December 31, 2009, from a property tax imposed**
 9 **under IC 14-23-3-3 or IC 15-1.5-8 before January 1, 2010, shall be**
 10 **deposited and used after December 31, 2009, as provided in**
 11 **IC 14-23-3-3 or IC 15-1.5-8, both as effective December 30, 2009.**

12 SECTION 819. [EFFECTIVE UPON PASSAGE] (a) **The**
 13 **definitions in IC 6-1.1-1 apply throughout this SECTION.**

14 (b) **The assessed value for assessment dates after 2008 and**
 15 **before 2011 of agricultural land strip mined on or before**
 16 **December 31, 1977, is determined using the methodology stated in**
 17 **the section entitled Valuing Strip Mined Agricultural Land in Book**
 18 **1, Chapter 2, of the department of local government finance's Real**
 19 **Property Assessment Guidelines (as in effect on January 1, 2008),**
 20 **except that the department shall adjust the methodology to use a**
 21 **productivity factor of .75 instead of a productivity factor of .50.**

22 (c) **The assessed value for assessment dates after 2008 and**
 23 **before 2011 of agricultural land:**

24 (1) **strip mined after December 31, 1977; and**

25 (2) **for which:**

26 (A) **a bond; or**

27 (B) **a bond equivalent;**

28 **under IC 14-34-6 has been finally released;**

29 **is determined using the methodology reflected in Book 1, Chapter**
 30 **2, of the department of local government finance's Real Property**
 31 **Assessment Guidelines (as in effect on January 1, 2008) for the**
 32 **assessment of agricultural land that is not classified as strip mined**
 33 **agricultural land.**

34 (d) **This SECTION expires January 1, 2012.**

35 SECTION 820. [EFFECTIVE JULY 1, 2008] **For property taxes**
 36 **first due and payable after December 31, 2008, the department of**
 37 **local government finance shall adjust the maximum permissible ad**
 38 **valorem property tax levy of any civil taxing unit and special**
 39 **service district as necessary to account for the payment by the state**
 40 **of Indiana under IC 5-10.3-11, as amended by this act, of benefits**
 41 **to members (and survivors and beneficiaries of members) of the**
 42 **1925 fund, the 1937 fund, or the 1953 fund.**

1 SECTION 821. [EFFECTIVE JULY 1, 2008] **IC 6-1.1-12-37.5, as**
 2 **added by this act, applies to property taxes first due and payable**
 3 **after December 31, 2008.**

4 SECTION 822. [EFFECTIVE APRIL 1, 2008 (RETROACTIVE)]
 5 **(a) IC 6-2.5-6-10, as amended by this act, applies to reporting**
 6 **periods beginning after June 30, 2008.**

7 **(b) For purposes of:**

8 **(1) IC 6-2.5-2-2, as amended by this act;**

9 **(2) IC 6-2.5-6-7, as amended by this act;**

10 **(3) IC 6-2.5-6-8, as amended by this act;**

11 **(4) IC 6-2.5-6-10, as amended by this act;**

12 **(5) IC 6-2.5-7-3, as amended by this act; and**

13 **(6) IC 6-2.5-7-5, as amended by this act;**

14 **all transactions, except the furnishing of public utility, telephone,**
 15 **cable television, cable radio, satellite television, or satellite radio**
 16 **services and commodities by retail merchants described in**
 17 **IC 6-2.5-4-5, IC 6-2.5-4-6, and IC 6-2.5-4-11, shall be considered as**
 18 **having occurred after March 31, 2008, to the extent that delivery**
 19 **of the property or services constituting selling at retail is made**
 20 **after that date to the purchaser or to the place of delivery**
 21 **designated by the purchaser. However, a transaction shall be**
 22 **considered as having occurred before April 1, 2008, to the extent**
 23 **that the agreement of the parties to the transaction was entered**
 24 **into before April 1, 2008, and payment for the property or services**
 25 **furnished in the transaction is made before April 1, 2008,**
 26 **notwithstanding the delivery of the property or services after**
 27 **March 31, 2008.**

28 **(c) With respect to a transaction constituting the furnishing of**
 29 **public utility, telephone, cable television, cable radio, satellite**
 30 **television, or satellite radio services and commodities, only**
 31 **transactions for which the charges are collected upon original**
 32 **statements and billings dated after April 30, 2008, shall be**
 33 **considered as having occurred after March 31, 2008.**

34 SECTION 823. [EFFECTIVE JANUARY 1, 2008
 35 (RETROACTIVE)] **IC 6-3-2-6, as amended by this act, applies only**
 36 **to taxable years beginning after December 31, 2007.**

37 SECTION 824. [EFFECTIVE JANUARY 1, 2009] **(a)**
 38 **Notwithstanding the repeal of IC 6-1.1-20.9 by this act, a provision**
 39 **in IC 6-3.5 that refers to a credit as an additional homestead credit,**
 40 **an increased homestead credit, or a credit for property that is**
 41 **eligible for a homestead credit under IC 6-1.1-20.9 (repealed by**
 42 **this act), shall be treated after December 31, 2008, as continuing to**

1 permit a grant of a homestead credit against the property tax
2 liability imposed on property that is eligible for a standard
3 deduction under IC 6-1.1-12-37. The credit shall be calculated in
4 the same manner as the credits were calculated before January 1,
5 2009.

6 (b) Notwithstanding the repeal of IC 6-1.1-21 by this act, a
7 provision in IC 6-3.5 that refers to a credit as an additional
8 property tax replacement credit or an increased property tax
9 replacement credit shall be treated after December 31, 2008, as
10 continuing to permit the grant of a property tax replacement credit
11 against property tax liability. The credit shall be calculated in the
12 same manner as the credits were calculated before January 1,
13 2009.

14 SECTION 825. [EFFECTIVE JULY 1, 2007 (RETROACTIVE)] (a)
15 The definitions in IC 6-1.1-1, IC 6-1.1-20.9, and IC 6-1.1-21 apply
16 throughout this SECTION.

17 (b) An owner entitled to a homestead credit under IC 6-1.1-20.9
18 for property taxes assessed for the March 1, 2007, and January 15,
19 2008, assessment dates is entitled to an additional homestead credit
20 under this SECTION against the property tax liability (as
21 described in IC 6-1.1-21-5) imposed against the taxpayer's
22 homestead for the March 1, 2007, and January 15, 2008,
23 assessment dates.

24 (c) The amount of the credit to which an owner is entitled under
25 this SECTION equals the product of:

- 26 (1) the percentage prescribed in subsection (d); multiplied by
27 (2) the amount of the individual's property tax liability (as
28 described in IC 6-1.1-21-5) that is:

29 (A) attributable to the homestead during the particular
30 calendar year; and

31 (B) determined after the application of all deductions from
32 assessed valuation that the owner claims under IC 6-1.1-12
33 or IC 6-1.1-12.1 for property and the property tax
34 replacement credit under IC 6-1.1-21.

35 (d) The homestead credit percentage under subsection (c)(1) is
36 equal to the percentage that, when added to the percentage applied
37 to all other homesteads, will result in the granting under this
38 SECTION of six hundred million dollars (\$600,000,000) in
39 additional homestead credits. The increase of the homestead credit
40 percentage must be uniform for all homesteads in Indiana. The
41 department of local government finance shall certify the homestead
42 credit percentage to all county auditors using the best information

1 available to the department of local government finance at the time
2 of the certification.

3 (e) The department of local government finance shall calculate
4 and certify to the department of state revenue and the county
5 auditor of a county a homestead credit amount to be transferred
6 to the county auditor for allocation to taxing units in the county to
7 replace property tax revenue lost from the granting of the
8 additional homestead credit under this SECTION. The 2008
9 homestead credit amount shall be distributed in approximately
10 equal installments on May 1 and November 1, subject to the
11 settlement procedures in IC 6-1.1-21-9.

12 (f) In addition to any other appropriation made to the property
13 tax replacement fund board under P.L.234-2007, there is
14 appropriated to the property tax replacement fund board six
15 hundred million dollars (\$600,000,000) from the state general fund
16 to make distributions for the additional homestead credits
17 provided by this SECTION for property taxes assessed for the
18 March 1, 2007, and January 15, 2008, assessment dates. The
19 appropriation in this subsection is not subject to the limit in
20 P.L.234-2007 on distributions from the property tax replacement
21 fund. Money distributed under this subsection shall be treated as
22 property taxes for all purposes.

23 (g) The department of local government finance, the department
24 of state revenue, and the property tax replacement fund board
25 shall take the actions necessary to carry out this SECTION. The
26 department of local government finance shall make the
27 certifications required under this SECTION based on the best
28 information available at the time the certification is made.

29 SECTION 826. [EFFECTIVE JULY 1, 2008] Notwithstanding
30 P.L.234-2007, SECTION 10, there is appropriated to the property
31 tax replacement fund board one billion one hundred nineteen
32 million seven hundred thirty-seven thousand seventy-seven dollars
33 (\$1,119,737,077) from the state general fund for total operating
34 expenses beginning July 1, 2008, and ending June 30, 2009. The
35 appropriation made by this SECTION is instead of, and for the
36 same purposes as, the appropriation of two billion one hundred
37 thirty-three million nine hundred ninety-one thousand six hundred
38 seventy-five dollars (\$2,133,991,675) made by P.L.234-2007,
39 SECTION 10, to the board for total operating expenses beginning
40 July 1, 2008, and ending June 30, 2009.

41 SECTION 827. [EFFECTIVE JANUARY 1, 2009] On January 1,
42 2009, the unencumbered balance of the property tax replacement

1 fund, the property tax reduction trust fund, and any other fund
2 terminated by this act shall be transferred to the state general
3 fund.

4 SECTION 828. [EFFECTIVE UPON PASSAGE] (a) A municipal
5 executive or county executive that is required to appoint an
6 individual to serve as a nonvoting adviser to a redevelopment
7 commission under IC 36-7-14-6.1, as amended by this act, shall
8 make the initial appointment before July 1, 2008.

9 (b) The legislative body of a consolidated city that is required to
10 appoint an individual to serve as a nonvoting adviser to the
11 metropolitan development commission under IC 36-7-4-207, as
12 amended by this act, shall make the initial appointment before July
13 1, 2008.

14 (c) This SECTION expires July 1, 2009.

15 SECTION 829. [EFFECTIVE JULY 1, 2008] (a) The definitions
16 in P.L.234-2007, SECTION 1 apply throughout this SECTION.

17 (b) The appropriation made by P.L.234-2007 to the department
18 of education for a distribution for tuition support for the state
19 fiscal year beginning July 1, 2008, and ending June 30, 2009, is
20 voided. This subsection does not void the separate additional
21 tuition support distribution appropriation made by P.L.234-2007.

22 (c) There is appropriated five billion two hundred thirty-four
23 million nine hundred fifty thousand dollars (\$5,234,950,000) to the
24 department of education from the state general fund for the
25 purposes of the total operating expenses of a distribution of tuition
26 support under IC 20-43, beginning July 1, 2008, and ending June
27 30, 2009. The budget agency may transfer after June 30, 2008, and
28 before January 1, 2009, the amount necessary, as determined by
29 the budget agency, from the property tax replacement fund to the
30 state general fund to fund the appropriation made by this
31 subsection for the first six (6) months of the state fiscal year.
32 However, the amount transferred after June 30, 2008, and before
33 January 1, 2009, may not exceed one billion seven hundred
34 ninety-six million one hundred eighty-seven thousand two hundred
35 fifty-nine dollars (\$1,796,187,259).

36 (d) The appropriation in subsection (c) shall be distributed for
37 the purposes described in IC 20-43-2-3(a), including basic tuition
38 support, special education programs, career and technical
39 education programs, honors grants, and the primetime program in
40 accordance with IC 20-43.

41 (e) If the appropriation in subsection (c) is more than is required
42 under this SECTION, any excess reverts to the state general fund.

1 **(f) The appropriation in subsection (c) when added to the**
2 **appropriation made for distributions of tuition support in**
3 **P.L.234-2007 for the state fiscal year beginning July 1, 2007, and**
4 **ending June 30, 2008, shall be made each calendar year under a**
5 **schedule set by the budget agency and approved by the governor.**
6 **However, the schedule must provide for at least twelve (12)**
7 **payments, that one (1) payment shall be made at least every forty**
8 **(40) days, and the total of the payments in each calendar year must**
9 **equal the amount required under IC 20-43.**

10 **(g) The department of education shall include in its budget**
11 **request prepared under IC 4-12-1-7 and IC 4-12-1-8 for the period**
12 **beginning July 1, 2009, and ending June 30, 2011, a budget request**
13 **for sufficient money to make distributions under IC 20-20-34 and**
14 **IC 20-43 to fund special education preschool programs and tuition**
15 **support, including that part funded by property taxes before**
16 **January 1, 2009.**

17 **SECTION 830. [EFFECTIVE JUNE 1, 2008] The tuition reserve**
18 **account in the state general fund established by IC 4-12-1-12(b) is**
19 **abolished on June 30, 2008. The auditor of state shall transfer the**
20 **balance of the reserve account established by IC 4-12-1-12(b) on**
21 **June 30, 2008, to the state tuition reserve fund. On the date**
22 **specified by the budget director, but not later than December 31,**
23 **2008, the auditor of state shall transfer eighty-three million four**
24 **hundred thousand dollars (\$83,400,000) from the unrestricted**
25 **balances of the state general fund to the state tuition reserve fund**
26 **for the purposes of the fund.**

27 **SECTION 831. [EFFECTIVE JULY 1, 2008] (a) In addition to the**
28 **amounts appropriated to the department of education in**
29 **P.L.234-2007 for distributions to children enrolled in special**
30 **education preschool programs, there is appropriated to the**
31 **department of education, beginning July 1, 2008, and ending June**
32 **30, 2009, three million dollars (\$3,000,000) from the state general**
33 **fund for distributions to children enrolled in special education**
34 **preschool programs during the period beginning January 1, 2009,**
35 **and ending June 30, 2009.**

36 **(b) This SECTION expires July 1, 2009.**

37 **SECTION 832. [EFFECTIVE JANUARY 1, 2008] There is**
38 **appropriated the following amounts to the department of**
39 **education from the state general fund to make distributions under**
40 **IC 20-20-36, as added by this act:**

41 **(1) Twenty-five million dollars (\$25,000,000) for the state**
42 **fiscal year beginning July 1, 2008, and ending June 30, 2009.**

1 **(2) Fifty million dollars (\$50,000,000) for the state fiscal year**
 2 **beginning July 1, 2009, and ending June 30, 2010.**

3 **(3) Twenty five million dollars (\$25,000,000) for the state**
 4 **fiscal year beginning July 1, 2010, and ending June 30, 2011.**

5 SECTION 833. [EFFECTIVE JULY 1, 2008] **In addition to the**
 6 **amounts appropriated in P.L.234-2007, there is appropriated to the**
 7 **state forestry fund two million five hundred thousand dollars**
 8 **(\$2,500,000) for use by the department of natural resources for the**
 9 **purposes of the state forestry fund during the period beginning**
 10 **July 1, 2008, and ending June 30, 2009.**

11 SECTION 834. [EFFECTIVE JULY 1, 2008] **In addition to the**
 12 **amounts appropriated in P.L.234-2007, there is appropriated to the**
 13 **state fair fund one million two hundred fifty thousand dollars**
 14 **(\$1,250,000) for use by the state fair commission for the purposes**
 15 **of the state fair fund during the period beginning July 1, 2008, and**
 16 **ending June 30, 2009.**

17 SECTION 835. [EFFECTIVE JULY 1, 2008] **(a) This SECTION**
 18 **applies whenever a school corporation appeals to the department**
 19 **of local government finance before January 1, 2009, to make up a**
 20 **shortfall in a tuition support levy that resulted:**

21 **(1) because erroneous assessed valuation figures or tax rate**
 22 **calculations were used to determine the school corporation's**
 23 **total property tax rate; or**

24 **(2) because of the payment of refunds that resulted from**
 25 **appeals under IC 6-1.1 and IC 6-1.5.**

26 **(b) The following definitions apply throughout this SECTION:**

27 **(1) "Excessive tax levy" means a property tax levy for the**
 28 **school corporation's general fund for a calendar year.**

29 **(2) "School corporation" has the meaning set forth in**
 30 **IC 20-18-2-16.**

31 **(3) "Shortfall" means a loss in property tax collections from**
 32 **a tuition support levy resulting from a reason described in**
 33 **subsection (a).**

34 **(4) "Tax control board" refers to the school property tax**
 35 **control board established under IC 6-1.1-19-4.1.**

36 **(5) "Tuition support levy" refers to a property tax levy**
 37 **imposed under IC 6-1.1-19-1.5 (before its repeal) or**
 38 **IC 20-45-3-11 (before its repeal) for a year before January 1,**
 39 **2009.**

40 **(c) The department of local government finance shall transmit**
 41 **the appeal to the tax control board. The tax control board shall**
 42 **conduct a hearing and determine whether:**

- 1 **(1) a shortfall has occurred; and**
 2 **(2) the appellant school corporation cannot carry out the**
 3 **public educational duties committed to the appellant school**
 4 **corporation by law if the appellant school corporation does**
 5 **not receive emergency financial relief for the ensuing calendar**
 6 **year.**

7 **(d) If the tax control board makes the determinations described**
 8 **in subsection (c), the tax control board shall recommend to the**
 9 **department of local government finance that the appellant school**
 10 **corporation be permitted to collect an excessive tax levy in 2009 in**
 11 **the amount that does not exceed the result of:**

- 12 **(1) the school corporation's tuition support levy for the year**
 13 **covered by the appeal, as finally approved by the department**
 14 **of local government finance, and after subtracting the amount**
 15 **of revenue lost (if any) to the school corporation's general**
 16 **fund as a result of the application of the circuit breaker credit**
 17 **under IC 6-1.1-20.6 to the tuition support levy; minus**
 18 **(2) the amount received by the school corporation from the**
 19 **tuition support levy.**

20 **(e) If the tax control board makes a recommendation under**
 21 **subsection (d), the tax control board may also recommend to the**
 22 **department of local government finance that the school**
 23 **corporation receive any of the following emergency financial relief:**

- 24 **(1) A grant or grants from any funds of the state that are**
 25 **available for that purpose.**
 26 **(2) A loan or loans from any funds of the state that are**
 27 **available for that purpose.**
 28 **(3) Permission to the appellant school corporation to borrow**
 29 **funds from a source other than the state or assistance in**
 30 **obtaining the loan.**
 31 **(4) An advance or advances of funds that will become payable**
 32 **to the appellant school corporation under any law providing**
 33 **for the payment of state funds to school corporations.**
 34 **(5) Permission to the appellant school corporation to:**
 35 **(A) cancel any unpaid obligation of the appellant school**
 36 **corporation's general fund to the appellant school**
 37 **corporation's capital projects fund; or**
 38 **(B) use for general fund purposes:**
 39 **(i) any unobligated balance in the appellant school**
 40 **corporation's capital projects fund; and**
 41 **(ii) the proceeds of any levy made or to be made by the**
 42 **school corporation for the school corporation's capital**

1 **projects fund.**

2 **(6) Permission to use, for general fund purposes, any**
 3 **unobligated balance in any debt service or other construction**
 4 **fund, including any unobligated proceeds of a sale of the**
 5 **school corporation's general obligation bonds.**

6 **(7) A combination of the emergency financial relief described**
 7 **in subdivisions (1) through (6).**

8 **(f) A recommendation made by the tax control board under this**
 9 **SECTION must specify the amount of the proposed excessive tax**
 10 **levy. Notwithstanding any other law, the department of local**
 11 **government finance may authorize the school corporation to make**
 12 **an excessive tax levy in 2009 in accordance with a recommendation**
 13 **under this SECTION without any other proceeding. Whenever the**
 14 **department of local government finance authorizes an excessive tax**
 15 **levy under this SECTION, the department of local government**
 16 **finance shall take appropriate steps to ensure that the proceeds of**
 17 **the excessive tax levy are first used to repay any loan authorized**
 18 **under this SECTION. The department of local government finance**
 19 **or another state agency may also take appropriate action to**
 20 **implement any additional recommendations made under**
 21 **subsection (d).**

22 **(g) This SECTION expires January 1, 2010.**

23 SECTION 836. [EFFECTIVE JANUARY 1, 2008
 24 (RETROACTIVE)] **(a) Notwithstanding any provision in**
 25 **IC 5-11-10.5 or any other law, a warrant issued by a county**
 26 **auditor for a refund of an additional 2007 homestead credit under**
 27 **P.L.234-2007, SECTION 300, as amended by P.L.1-2008,**
 28 **SECTION 5, that is:**

29 **(1) outstanding and unpaid for one hundred eighty (180) days**
 30 **after the warrant is issued; and**

31 **(2) for an amount that is not more than ten dollars (\$10);**
 32 **is void. An individual, a bank, a trust company, a building and loan**
 33 **association, or any other financial institution may not honor, cash,**
 34 **or accept for payment or deposit a warrant that meets the**
 35 **requirements of subdivisions (1) and (2).**

36 **(b) The amount of an outstanding warrant that is voided under**
 37 **subsection (a) shall be paid by the county treasurer to the treasurer**
 38 **of state for deposit in the property tax reduction trust fund**
 39 **established by IC 4-35-8-2 not more than ninety (90) days after the**
 40 **warrant is voided.**

41 **(c) This SECTION expires January 1, 2010.**

42 SECTION 837. [EFFECTIVE JULY 1, 2008] **Notwithstanding any**

1 other provision, for property taxes first due and payable after
2 December 31, 2008, and for budget years after 2008, the
3 department of local government finance shall adjust the maximum
4 permissible ad valorem property tax levy, the budget, the excise tax
5 and local option income tax distributions, and the tax rates of any
6 political subdivision or taxing unit as necessary to account for any
7 changes made by this act, including the elimination of any property
8 tax levies by this act, the replacement of any portion of a property
9 tax levy by state payments by this act, or the transfer of
10 governmental responsibilities by this act.

11 SECTION 838. [EFFECTIVE UPON PASSAGE] (a) The
12 definitions in IC 6-1.1-1, apply throughout this SECTION.

13 (b) In addition to any other appropriations, there is
14 appropriated one hundred million dollars (\$100,000,000) from the
15 state general fund to provide homestead credits under this
16 SECTION in 2009.

17 (c) A taxpayer that is entitled to a standard deduction for
18 property taxes assessed for the March 1, 2008, and January 15,
19 2009, assessment dates is entitled to a homestead credit under this
20 SECTION against the property tax liability imposed against the
21 taxpayer's homestead for the March 1, 2008, and January 15, 2009,
22 assessment dates.

23 (d) A taxpayer's homestead credit under this SECTION shall be
24 determined after the application of all deductions from assessed
25 valuation that the taxpayer claims under IC 6-1.1-12 or
26 IC 6-1.1-12.1 for property.

27 (e) The department of local government finance shall calculate
28 and certify to the department of state revenue and the county
29 auditor of each county the homestead credit amount to be
30 transferred to the county auditor for allocation to taxing units in
31 the county to replace property tax revenue lost from the granting
32 of the additional homestead credit under this SECTION.

33 (f) The 2009 homestead credit amount shall be distributed in
34 approximately equal installments on May 1 and November 1,
35 subject to the settlement procedures described in IC 6-1.1-21-9 (as
36 in effect December 31, 2008).

37 (g) The department of local government finance, the budget
38 agency, and the department of state revenue shall take the actions
39 necessary to apply the 2009 homestead credit under this
40 SECTION. The department of local government finance shall make
41 the certifications required under this SECTION based on the best
42 information available at the time the certification is made.

1 **(h) The provisions of IC 6-1.1-20.9 as those provisions were in**
2 **effect December 31, 2008, apply to the calculation, distribution,**
3 **and application of the 2009 homestead credit under this SECTION.**

4 **(i) This SECTION expires July 1, 2010.**

5 SECTION 839. [EFFECTIVE UPON PASSAGE] **(a) The**
6 **definitions in IC 6-1.1-1, apply throughout this SECTION.**

7 **(b) In addition to any other appropriations, there is**
8 **appropriated one hundred million dollars (\$100,000,000) from the**
9 **state general fund to provide homestead credits under this**
10 **SECTION in 2010.**

11 **(c) A taxpayer that is entitled to a standard deduction for**
12 **property taxes assessed for the March 1, 2009, and January 15,**
13 **2010, assessment dates is entitled to a homestead credit under this**
14 **SECTION against the property tax liability imposed against the**
15 **taxpayer's homestead for the March 1, 2009, and January 15, 2010,**
16 **assessment dates.**

17 **(d) A taxpayer's homestead credit under this SECTION shall be**
18 **determined after the application of all deductions from assessed**
19 **valuation that the taxpayer claims under IC 6-1.1-12 or**
20 **IC 6-1.1-12.1 for property.**

21 **(e) The department of local government finance shall calculate**
22 **and certify to the department of state revenue and the county**
23 **auditor of each county the homestead credit amount to be**
24 **transferred to the county auditor for allocation to taxing units in**
25 **the county to replace property tax revenue lost from the granting**
26 **of the additional homestead credit under this SECTION.**

27 **(f) The 2010 homestead credit amount shall be distributed in**
28 **approximately equal installments on May 1 and November 1,**
29 **subject to the settlement procedures described in IC 6-1.1-21-9 (as**
30 **in effect December 31, 2008).**

31 **(g) The department of local government finance, the budget**
32 **agency, and the department of state revenue shall take the actions**
33 **necessary to apply the 2010 homestead credit under this**
34 **SECTION. The department of local government finance shall make**
35 **the certifications required under this SECTION based on the best**
36 **information available at the time the certification is made.**

37 **(h) The provisions of IC 6-1.1-20.9 as those provisions were in**
38 **effect December 31, 2008, apply to the calculation, distribution,**
39 **and application of the 2010 homestead credit under this SECTION.**

40 **(i) This SECTION expires July 1, 2011.**

41 SECTION 840. [EFFECTIVE UPON PASSAGE] **(a) The**
42 **legislative services agency shall prepare legislation for introduction**

1 **in the 2009 regular session of the general assembly to correct**
2 **statutes affected by this act.**

3 **(b) This SECTION expires July 1, 2009.**

4 SECTION 841. **An emergency is declared for this act.**

5 Renumber all SECTIONS consecutively.

(Reference is to HB 1001 as reprinted January 24, 2008.)

and when so amended that said bill do pass .

Committee Vote: Yeas 9, Nays 0.

Senator Kenley, Chairperson