

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 285 be amended to read as follows:

- 1 Page 2, between lines 17 and 18, begin a new paragraph and insert:
- 2 "SECTION 2. IC 6-1.1-5.5-5, AS AMENDED BY P.L.144-2008,
- 3 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 JULY 1, 2009]: Sec. 5. (a) The department of local government finance
- 5 shall prescribe a sales disclosure form for use under this chapter. The
- 6 form prescribed by the department of local government finance must
- 7 include at least the following information:
- 8 (1) The key number (as defined in IC 6-1.1-1-8.5) of each parcel.
- 9 (2) With respect to each parcel, whether the entire parcel is being
- 10 conveyed.
- 11 (3) The address of each improved parcel.
- 12 (4) The date of the execution of the form.
- 13 (5) The date the property was transferred.
- 14 (6) Whether the transfer includes an interest in land or
- 15 improvements, or both.
- 16 (7) Whether the transfer includes personal property.
- 17 (8) An estimate of the value of any personal property included in
- 18 the transfer.
- 19 (9) The name, address, and telephone number of:
- 20 (A) each transferor and transferee; and
- 21 (B) the person that prepared the form.
- 22 (10) The mailing address to which the property tax bills or other
- 23 official correspondence should be sent.
- 24 (11) The ownership interest transferred.

- 1 (12) The classification of the property (as residential, commercial,
2 industrial, agricultural, vacant land, or other).
- 3 (13) Subject to subsection (c), the total price actually paid or
4 required to be paid in exchange for the conveyance, whether in
5 terms of money, property, a service, an agreement, or other
6 consideration, but excluding tax payments and payments for legal
7 and other services that are incidental to the conveyance.
- 8 (14) The terms of seller provided financing, such as interest rate,
9 points, type of loan, amount of loan, and amortization period, and
10 whether the borrower is personally liable for repayment of the
11 loan.
- 12 (15) Any family or business relationship existing between the
13 transferor and the transferee.
- 14 (16) A legal description of each parcel subject to the conveyance.
- 15 (17) Whether the transferee is using the form to claim ~~the~~
16 **following one (1) or more deductions under IC 6-1.1-12-44** for
17 property taxes first due and payable in a calendar year after 2008.
18 (A) ~~One (1) or more deductions under IC 6-1.1-12-44.~~
19 (B) ~~The homestead credit under IC 6-1.1-20.9-3.5.~~
- 20 (18) If the transferee uses the form to claim the ~~homestead credit~~
21 **standard deduction** under ~~IC 6-1.1-20.9-3.5~~, the name of any
22 other county and township in which the transferee of residential
23 real property owns or is buying residential real property.
24 **IC 6-1.1-12-37, the information required for a standard**
25 **deduction under IC 6-1.1-12-37.**
- 26 (19) **Sufficient instructions and information to permit a party**
27 **to terminate a standard deduction under IC 6-1.1-12-37 on**
28 **any parcel of property on which the party or the spouse of the**
29 **party will no longer be eligible for the standard deduction**
30 **under IC 6-1.1-12-37 after the party or the party's spouse**
31 **begins to reside at the property that is the subject of the sales**
32 **disclosure form, including an explanation of the tax**
33 **consequences and applicable penalties if a party unlawfully**
34 **claims a standard deduction under IC 6-1.1-12-37.**
- 35 ~~(19)~~ (20) Other information as required by the department of local
36 government finance to carry out this chapter.
- 37 If a form under this section includes the telephone number or **part or**
38 **all of** the Social Security number of a party, the telephone number or
39 the Social Security number is confidential.
- 40 (b) The instructions for completing the form described in subsection
41 (a) must include the information described in IC 6-1.1-12-43(c)(1).
- 42 (c) If the conveyance includes more than one (1) parcel as described
43 in section 3(h) of this chapter, the form:
44 (1) is not required to include the price referred to in subsection
45 (a)(13) for each of the parcels subject to the conveyance; and
46 (2) may state a single combined price for all of those parcels."

1 Page 2, between lines 40 and 41, begin a new paragraph and insert:
 2 "SECTION 4. IC 6-1.1-12-17.8, AS AMENDED BY P.L.144-2008,
 3 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 4 JULY 1, 2009]: Sec. 17.8. (a) An individual who receives a deduction
 5 provided under section 1, 9, 11, 13, 14, 16, ~~or~~ 17.4, **or 37** of this
 6 chapter in a particular year and who remains eligible for the deduction
 7 in the following year is not required to file a statement to apply for the
 8 deduction in the following year. **However, for purposes of a**
 9 **deduction under section 37 of this chapter, the county auditor may,**
 10 **in the county auditor's discretion, terminate the deduction for**
 11 **assessment dates after January 15, 2012, if the individual does not**
 12 **comply with the requirement in IC 6-1.1-22-8.1(b)(9), as**
 13 **determined by the county auditor, before January 1, 2013. Before**
 14 **the county auditor terminates the deduction because the taxpayer**
 15 **claiming the deduction did not comply with the requirement in**
 16 **IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor**
 17 **shall mail notice of the proposed termination of the deduction to:**

18 (1) the last known address of each person liable for any
 19 property taxes or special assessment, as shown on the tax
 20 duplicate or special assessment records; or

21 (2) the last known address of the most recent owner shown in
 22 the transfer book.

23 (b) An individual who receives a deduction provided under section
 24 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who
 25 becomes ineligible for the deduction in the following year shall notify
 26 the auditor of the county in which the real property, mobile home, or
 27 manufactured home for which the individual claims the deduction is
 28 located of the individual's ineligibility in the year in which the
 29 individual becomes ineligible. **An individual who becomes ineligible**
 30 **for a deduction under section 37 of this chapter shall notify the**
 31 **county auditor of the county in which the property is located in**
 32 **conformity with section 37 of this chapter.**

33 (c) The auditor of each county shall, in a particular year, apply a
 34 deduction provided under section 1, 9, 11, 13, 14, 16, ~~or~~ 17.4, **or 37** of
 35 this chapter to each individual who received the deduction in the
 36 preceding year unless the auditor determines that the individual is no
 37 longer eligible for the deduction.

38 (d) An individual who receives a deduction provided under section
 39 1, 9, 11, 13, 14, 16, ~~or~~ 17.4, **or 37** of this chapter for property that is
 40 jointly held with another owner in a particular year and remains eligible
 41 for the deduction in the following year is not required to file a
 42 statement to reapply for the deduction following the removal of the
 43 joint owner if:

44 (1) the individual is the sole owner of the property following the
 45 death of the individual's spouse;

46 (2) the individual is the sole owner of the property following the

1 death of a joint owner who was not the individual's spouse; or
 2 (3) the individual is awarded sole ownership of the property in a
 3 divorce decree.

4 **However, for purposes of a deduction under section 37 of this**
 5 **chapter, if the removal of the joint owner occurs before the date**
 6 **that a notice described in IC 6-1.1-22-8.1(b)(9) is sent, the county**
 7 **auditor may, in the county auditor's discretion, terminate the**
 8 **deduction for assessment dates after January 15, 2012, if the**
 9 **individual does not comply with the requirement in**
 10 **IC 6-1.1-22-8.1(b)(9), as determined by the county auditor, before**
 11 **January 1, 2013. Before the county auditor terminates the**
 12 **deduction because the taxpayer claiming the deduction did not**
 13 **comply with the requirement in IC 6-1.1-22-8.1(b)(9) before**
 14 **January 1, 2013, the county auditor shall mail notice of the**
 15 **proposed termination of the deduction to the last known address of**
 16 **each person liable for any property taxes or special assessment, as**
 17 **shown on the tax duplicate or special assessment records or the last**
 18 **known address of the most recent owner shown in the transfer**
 19 **book.**

20 (e) A trust entitled to a deduction under section 9, 11, 13, 14, 16, ~~or~~
 21 17.4, **or 37** of this chapter for real property owned by the trust and
 22 occupied by an individual in accordance with section 17.9 of this
 23 chapter is not required to file a statement to apply for the deduction, if:

24 (1) the individual who occupies the real property receives a
 25 deduction provided under section 9, 11, 13, 14, 16, ~~or 17.4, or 37~~
 26 of this chapter in a particular year; and

27 (2) the trust remains eligible for the deduction in the following
 28 year.

29 **However, for purposes of a deduction under section 37 of this**
 30 **chapter, the individuals that qualify the trust for a deduction must**
 31 **comply with the requirement in IC 6-1.1-22-8.1(b)(9) before**
 32 **January 1, 2013.**

33 (f) A cooperative housing corporation (as defined in 26 U.S.C.
 34 216) that is entitled to a deduction under section 37 of this chapter
 35 in the immediately preceding calendar year for a homestead (as
 36 defined in section 37 of this chapter) is not required to file a
 37 statement to apply for the deduction for the current calendar year
 38 if the cooperative housing corporation remains eligible for the
 39 deduction for the current calendar year. However, the county
 40 auditor may, in the county auditor's discretion, terminate the
 41 deduction for assessment dates after January 15, 2012, if the
 42 individual does not comply with the requirement in
 43 IC 6-1.1-22-8.1(b)(9), as determined by the county auditor, before
 44 January 1, 2013. Before the county auditor terminates a deduction
 45 because the taxpayer claiming the deduction did not comply with
 46 the requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013,
 47 the county auditor shall mail notice of the proposed termination of

- 1 **the deduction to:**
- 2 **(1) the last known address of each person liable for any**
- 3 **property taxes or special assessment, as shown on the tax**
- 4 **duplicate or special assessment records; or**
- 5 **(2) the last known address of the most recent owner shown in**
- 6 **the transfer book.**
- 7 **(g) An individual who:**
- 8 **(1) was eligible for a homestead credit under IC 6-1.1-20.9**
- 9 **(repealed) for property taxes imposed for the March 1, 2007,**
- 10 **or January 15, 2008, assessment date; or**
- 11 **(2) would have been eligible for a homestead credit under**
- 12 **IC 6-1.1-20.9 (repealed) for property taxes imposed for the**
- 13 **March 1, 2008, or January 15, 2009, assessment date if**
- 14 **IC 6-1.1-20.9 had not been repealed;**
- 15 **is not required to file a statement to apply for a deduction under**
- 16 **section 37 of this chapter if the individual remains eligible for the**
- 17 **deduction in the current year. An individual who filed for a**
- 18 **homestead credit under IC 6-1.1-20.9 (repealed) for an assessment**
- 19 **date after March 1, 2007 (if the property is real property), or after**
- 20 **January 1, 2008 (if the property is personal property), shall be**
- 21 **treated as an individual who has filed for a deduction under section**
- 22 **37 of this chapter. However, the county auditor may, in the county**
- 23 **auditor's discretion, terminate the deduction for assessment dates**
- 24 **after January 15, 2012, if the individual does not comply with the**
- 25 **requirement in IC 6-1.1-22-8.1(b)(9), as determined by the county**
- 26 **auditor, before January 1, 2013. Before the county auditor**
- 27 **terminates the deduction because the taxpayer claiming the**
- 28 **deduction did not comply with the requirement in**
- 29 **IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor**
- 30 **shall mail notice of the proposed termination of the deduction to**
- 31 **the last known address of each person liable for any property taxes**
- 32 **or special assessment, as shown on the tax duplicate or special**
- 33 **assessment records, or to the last known address of the most recent**
- 34 **owner shown in the transfer book.**
- 35 **(h) If a county auditor terminates a deduction because the**
- 36 **taxpayer claiming the deduction did not comply with the**
- 37 **requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the**
- 38 **county auditor shall reinstate the deduction if the taxpayer**
- 39 **provides proof that the taxpayer is eligible for the deduction and**
- 40 **is not claiming the deduction for any other property.**
- 41 SECTION 5. IC 6-1.1-12-37, AS AMENDED BY P.L.146-2008,
- 42 SECTION 115, IS AMENDED TO READ AS FOLLOWS
- 43 [EFFECTIVE JULY 1, 2009]: Sec. 37. (a) The following definitions
- 44 apply throughout this section:
- 45 (1) "Dwelling" means any of the following:
- 46 (A) Residential real property improvements that an individual
- 47 uses as the individual's residence, including a house or garage.

1 (B) A mobile home that is not assessed as real property that an
2 individual uses as the individual's residence.

3 (C) A manufactured home that is not assessed as real property
4 that an individual uses as the individual's residence.

5 (2) "Homestead" means an individual's principal place of
6 residence: ~~that:~~

7 (A) ~~that~~ is located in Indiana;

8 (B) ~~the individual:~~ **that:**

9 (i) **the individual** owns;

10 (ii) **the individual** is buying under a contract, recorded in
11 the county recorder's office, that provides that the individual
12 is to pay the property taxes on the residence; ~~or~~

13 (iii) **the individual** is entitled to occupy as a
14 tenant-stockholder (as defined in 26 U.S.C. 216) of a
15 cooperative housing corporation (as defined in 26 U.S.C.
16 216); ~~or~~

17 (iv) **is a residence described in section 17.9 of this**
18 **chapter that is owned by a trust if the individual is an**
19 **individual described in section 17.9 of this chapter;** and

20 (C) ~~that~~ consists of a dwelling and the real estate, not
21 exceeding one (1) acre, that immediately surrounds that
22 dwelling.

23 **The term does not include property owned by a corporation,**
24 **partnership, limited liability company, or other entity not**
25 **described in this subdivision.**

26 (b) Each year ~~an individual who on March 1 of a particular year or;~~
27 ~~in the case of a mobile home that is assessed as personal property; the~~
28 ~~immediately following January 15; either owns or is buying a~~
29 ~~homestead under a contract; recorded in the county recorder's office;~~
30 ~~that provides the individual is to pay property taxes on the a homestead~~
31 ~~is entitled to eligible for a standard deduction from the assessed value~~
32 ~~of the homestead for an assessment date. The deduction provided by~~
33 ~~this section applies to property taxes first due and payable for an~~
34 ~~assessment date only if an individual has an interest in the~~
35 ~~homestead described in subsection (a)(2)(B) on:~~

36 (1) ~~the assessment date; or~~

37 (2) ~~any date in the same year after an assessment date that a~~
38 ~~statement is filed under subsection (e) or section 44 of this~~
39 ~~chapter, if the property consists of real property.~~

40 **Subject to subsection (c),** the auditor of the county shall record and
41 make the deduction for the ~~person~~ **individual or entity** qualifying for
42 the deduction.

43 (c) Except as provided in section 40.5 of this chapter, the total
44 amount of the deduction that a person may receive under this section
45 for a particular year is the lesser of:

46 (1) sixty percent (60%) of the assessed value of the real property,

1 mobile home not assessed as real property, or manufactured home
 2 not assessed as real property; or

3 (2) forty-five thousand dollars (\$45,000).

4 ~~2010;~~

5 (d) A person who has sold real property, a mobile home not assessed
 6 as real property, or a manufactured home not assessed as real property
 7 to another person under a contract that provides that the contract buyer
 8 is to pay the property taxes on the real property, mobile home, or
 9 manufactured home may not claim the deduction provided under this
 10 section with respect to that real property, mobile home, or
 11 manufactured home.

12 (e) **Except as provided in sections 17.8 and 44 of this chapter**
 13 **and subject to section 45 of this chapter, an individual who desires**
 14 **to claim the deduction provided by this section must file a certified**
 15 **statement in duplicate, on forms prescribed by the department of**
 16 **local government finance, with the auditor of the county in which**
 17 **the homestead is located. The statement must include:**

18 (1) **the parcel number or key number of the property and the**
 19 **name of the city, town, or township in which the property is**
 20 **located;**

21 (2) **the name of any other location in which the applicant or**
 22 **the applicant's spouse owns, is buying, or has a beneficial**
 23 **interest in residential real property;**

24 (3) **the names of:**

25 (A) **the applicant and the applicant's spouse (if any):**

26 (i) **as the names appear in the records of the United**
 27 **States Social Security Administration for the purposes of**
 28 **the issuance of a Social Security card and Social Security**
 29 **number; or**

30 (ii) **that they use as their legal names when they sign**
 31 **their names on legal documents;**

32 **if the applicant is an individual; or**

33 (B) **each individual who qualifies property as a homestead**
 34 **under subsection (a)(2)(B) and the individual's spouse (if**
 35 **any):**

36 (i) **as the names appear in the records of the United**
 37 **States Social Security Administration for the purposes of**
 38 **the issuance of a Social Security card and Social Security**
 39 **number; or**

40 (ii) **that they use as their legal names when they sign**
 41 **their names on legal documents;**

42 **if the applicant is not an individual; and**

43 (4) **either:**

44 (A) **the last five (5) digits of the applicant's Social Security**
 45 **number and the last five (5) digits of the Social Security**
 46 **number of the applicant's spouse (if any); or**

47 (B) **if the applicant or the applicant's spouse (if any) does**

1 not have a Social Security number, any of the following for
2 that individual:

- 3 (i) The last five (5) digits of the individual's driver's
4 license number.
5 (ii) The last five (5) digits of the individual's state
6 identification card number.
7 (iii) If the individual does not have a driver's license or
8 a state identification card, the last five (5) digits of a
9 control number that is on a document issued to the
10 individual by the federal government and determined by
11 the department of local government finance to be
12 acceptable.

13 If a form or statement provided to the county auditor under this
14 section, IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone
15 number or part or all of the Social Security number of a party or
16 other number described in subdivision (4)(B) of a party, the
17 telephone number and the Social Security number or other number
18 described in subdivision (4)(B) that are included are confidential.
19 The statement may be filed in person or by mail. If the statement
20 is mailed, the mailing must be postmarked on or before the last day
21 for filing. The statement applies for that first year and any
22 succeeding year for which the deduction is allowed. With respect
23 to real property, the person must file the statement during the year
24 for which the person desires to obtain the deduction. With respect
25 to a mobile home that is not assessed as real property, the person
26 must file the statement during the twelve (12) months before
27 March 31 of the year for which the person desires to obtain the
28 deduction.

29 (f) If an individual who is receiving the deduction provided by
30 this section or who otherwise qualifies property for a deduction
31 under this section:

- 32 (1) changes the use of the individual's property so that part or
33 all of the property no longer qualifies for the deduction under
34 this section; or
35 (2) is no longer eligible for a deduction under this section on
36 another parcel of property because:
37 (A) the individual would otherwise receive the benefit of
38 more than one (1) deduction under this chapter; or
39 (B) the individual maintains the individual's principal
40 place of residence with another individual who receives a
41 deduction under this section;

42 the individual must file a certified statement with the auditor of the
43 county, notifying the auditor of the change of use, not more than
44 sixty (60) days after the date of that change. An individual who
45 fails to file the statement required by this subsection is liable for
46 any additional taxes that would have been due on the property if
47 the individual had filed the statement as required by this

1 subsection plus a civil penalty equal to ten percent (10%) of the
 2 additional taxes due. The civil penalty imposed under this
 3 subsection is in addition to any interest and penalties for a
 4 delinquent payment that might otherwise be due. This amount
 5 becomes part of the property tax liability for purposes of this
 6 article. One-tenth (1/10) of the total amount of the civil penalty
 7 collected under this subsection shall be transferred by the county
 8 to the department of local government finance for use by the
 9 department in establishing and maintaining the homestead
 10 property data base under subsection (i) and, to the extent there is
 11 money remaining, for any other purposes of the department.

12 ~~(e)~~ (g) The department of local government finance shall adopt rules
 13 or guidelines concerning the application for a deduction under this
 14 section.

15 ~~(f)~~ (h) This subsection does not apply to property in the first
 16 year for which a deduction is claimed under this section if the sole
 17 reason that a deduction is claimed on other property is that the
 18 individual or married couple maintained a principal residence at
 19 the other property on March 1 in the same year in which an
 20 application for a deduction is filed under this section or, if the
 21 application is for a homestead that is assessed as personal
 22 property, on March 1 in the immediately preceding year and the
 23 individual or married couple is moving the individual's or married
 24 couple's principal residence to the property that is the subject of
 25 the application. The county auditor may not grant an individual or a
 26 married couple a deduction under this section if:

27 (1) the individual or married couple, for the same year, claims the
 28 deduction on two (2) or more different applications for the
 29 deduction; and

30 (2) the applications claim the deduction for different property.

31 (i) The department of local government finance shall provide
 32 secure access to county auditors to a homestead property data base
 33 that includes access to the homestead owner's name and the
 34 numbers required from the homestead owner under subsection
 35 (e)(4) for the sole purpose of verifying whether an owner is
 36 wrongly claiming a deduction under this chapter or a credit under
 37 IC 6-1.1-20.4, IC 6-1.1-20.6, or IC 6-3.5.

38 (j) The department of local government finance shall work with
 39 county auditors to develop procedures to determine whether a
 40 property owner that is claiming a standard deduction or
 41 homestead credit is not eligible for the standard deduction or
 42 homestead credit because the property owner's principal place of
 43 residence is outside Indiana.

44 SECTION 6. IC 6-1.1-12-43, AS AMENDED BY P.L.145-2008,
 45 SECTION 9, AND AS AMENDED BY P.L.146-2008, SECTION 120,
 46 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 47 [EFFECTIVE JULY 1, 2009]: Sec. 43. (a) For purposes of this section:

- 1 (1) "benefit" refers to
 2 ~~(A)~~ a deduction under section 1, 9, 11, 13, 14, 16, 17.4, 26, 29,
 3 31, 33, ~~or~~ 34, **37, or 37.5** of this chapter; ~~or~~
 4 ~~(B) the homestead credit under IC 6-1.1-20.9-2;~~
 5 (2) "closing agent" means a person that closes a transaction;
 6 (3) "customer" means an individual who obtains a loan in a
 7 transaction; and
 8 (4) "transaction" means a single family residential:
 9 (A) first lien purchase money mortgage transaction; or
 10 (B) refinancing transaction.
- 11 (b) Before closing a transaction after December 31, 2004, a closing
 12 agent must provide to the customer the form referred to in subsection
 13 (c).
- 14 (c) Before June 1, 2004, the department of local government finance
 15 shall prescribe the form to be provided by closing agents to customers
 16 under subsection (b). The department shall make the form available to
 17 closing agents, county assessors, county auditors, and county treasurers
 18 in hard copy and electronic form. County assessors, county auditors,
 19 and county treasurers shall make the form available to the general
 20 public. The form must:
- 21 (1) on one (1) side:
 22 (A) list each benefit;
 23 (B) list the eligibility criteria for each benefit; and
 24 (C) indicate that a new application for a deduction under
 25 section 1 of this chapter is required when residential real
 26 property is refinanced;
- 27 (2) on the other side indicate:
 28 (A) each action by and ~~(B)~~ each type of documentation from
 29 the customer required to file for each benefit; **and**
 30 **(B) sufficient instructions and information to permit a**
 31 **party to terminate a standard deduction under section 37**
 32 **of this chapter on any property on which the party or the**
 33 **spouse of the party will no longer be eligible for the**
 34 **standard deduction under section 37 of this chapter after**
 35 **the party or the party's spouse begins to reside at the**
 36 **property that is the subject of the closing, including an**
 37 **explanation of the tax consequences and applicable**
 38 **penalties, if a party unlawfully claims a standard**
 39 **deduction under section 37 of this chapter; and**
 40 (3) be printed in one (1) of two (2) or more colors prescribed by
 41 the department of local government finance that distinguish the
 42 form from other documents typically used in a closing referred to
 43 in subsection (b).
- 44 (d) A closing agent:
 45 (1) may reproduce the form referred to in subsection (c);
 46 (2) in reproducing the form, must use a print color prescribed by

1 the department of local government finance; and
 2 (3) is not responsible for the content of the form referred to in
 3 subsection (c) and shall be held harmless by the department of
 4 local government finance from any liability for the content of the
 5 form.

6 *(e) This subsection applies to a transaction that is closed after*
 7 *December 31, 2009. In addition to providing the customer the form*
 8 *described in subsection (c) before closing the transaction, a closing*
 9 *agent shall do the following as soon as possible after the closing, and*
 10 *within the time prescribed by the department of insurance under*
 11 *IC 27-7-3-15.5:*

12 *(1) To the extent determinable, input the information described in*
 13 *IC 27-7-3-15.5(c)(2) into the system maintained by the*
 14 *department of insurance under IC 27-7-3-15.5.*

15 *(2) Submit the form described in IC 27-7-3-15.5(c) to the data*
 16 *base described in IC 27-7-3-15.5(c)(2)(D).*

17 ~~(f)~~ *(f) A closing agent to which this section applies shall document*
 18 *its the closing agent's compliance with this section with respect to each*
 19 *transaction in the form of verification of compliance signed by the*
 20 *customer.*

21 ~~(g)~~ *(g) Subject to IC 27-7-3-15.5(d), a closing agent is subject to a*
 22 *civil penalty of twenty-five dollars (\$25) for each instance in which the*
 23 *closing agent fails to comply with this section with respect to a*
 24 *customer. The penalty:*

25 *(1) may be enforced by the state agency that has administrative*
 26 *jurisdiction over the closing agent in the same manner that the*
 27 *agency enforces the payment of fees or other penalties payable to*
 28 *the agency; and*

29 *(2) shall be paid into:*

30 *(A) the property tax replacement state general fund, if the*
 31 *closing agent fails to comply with subsection (b); or*

32 *(B) the home ownership education account established by*
 33 *IC 5-20-1-27, if the closing agent fails to comply with*
 34 *subsection (e) in a transaction that is closed after December*
 35 *31, 2009.*

36 *(h) A closing agent is not liable for any other damages claimed by*
 37 *a customer because of:*

38 *(1) the closing agent's mere failure to provide the appropriate*
 39 *document to the customer under subsection (b); or*

40 *(2) with respect to a transaction that is closed after December 31,*
 41 *2009, the closing agent's failure to input the information or*
 42 *submit the form described in subsection (e).*

43 ~~(g)~~ *(i) The state agency that has administrative jurisdiction over a*
 44 *closing agent shall:*

45 *(1) examine the closing agent to determine compliance with this*
 46 *section; and*

1 (2) impose and collect penalties under subsection ~~(f)~~ (g).
2 SECTION 7. IC 6-1.1-12-44, AS ADDED BY P.L.144-2008,
3 SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JANUARY 1, 2009 (RETROACTIVE)]; Sec. 44. (a) A sales disclosure
5 form under IC 6-1.1-5.5:
6 (1) that is submitted:
7 (A) as a paper form; or
8 (B) electronically;
9 on or before December 31 of a calendar year to the county
10 assessor by or on behalf of the purchaser of a homestead (as
11 defined in ~~IC 6-1.1-20-9-1~~) **section 37 of this chapter**) assessed
12 as real property;
13 (2) that is accurate and complete;
14 (3) that is approved by the county assessor as eligible for filing
15 with the county auditor; and
16 (4) that is filed:
17 (A) as a paper form; or
18 (B) electronically;
19 with the county auditor by or on behalf of the purchaser;
20 constitutes an application for the deductions provided by sections 26,
21 29, 33, ~~and~~ 34, **and 37** of this chapter with respect to property taxes
22 first due and payable in the calendar year that immediately succeeds
23 the calendar year referred to in subdivision (1).
24 (b) Except as provided in subsection (c), if:
25 (1) the county auditor receives in a calendar year a sales
26 disclosure form that meets the requirements of subsection (a); and
27 (2) the homestead for which the sales disclosure form is submitted
28 is otherwise eligible for a deduction referred to in subsection (a);
29 the county auditor shall apply the deduction to the homestead for
30 property taxes first due and payable in the calendar year for which the
31 homestead qualifies under subsection (a) and in any later year in which
32 the homestead remains eligible for the deduction.
33 (c) Subsection (b) does not apply if the county auditor, after
34 receiving a sales disclosure form from or on behalf of a purchaser
35 under subsection (a)(4), determines that the homestead is ineligible for
36 the deduction."
37 Page 3, line 20, delete "IC 6-1.1-22-8.1(i)," and insert "**IC**
38 **6-1.1-22-8.1(h)**,".
39 Page 5, line 16, strike "This section applies only to"
40 Page 5, strike lines 17 through 18.
41 Page 5, line 19, strike "(b)".
42 Page 5, line 20, delete "(i)," and insert "**(h)**".
43 Page 5, line 29, strike "(c)." and insert "**(b)**".
44 Page 5, line 32, strike "(c)." and insert "**(b)**".
45 Page 5, line 35, strike "(c)" and insert "**(b)**".
46 Page 5, line 37, strike "(b)" and insert "**(a)**".

1 Page 6, delete lines 20 through 36, begin a new line block indented
2 and insert:

3 "(7) An explanation of the following:

4 (A) ~~The Homestead credit and credits under IC 6-1.1-20.4,~~
5 **IC 6-3.5-6-13, or another law that are available in the**
6 **taxing district where the property is located.**

7 (B) All property tax deductions **that are available in the**
8 **taxing district where the property is located.**

9 ~~(B)~~ (C) The procedure and deadline for filing for ~~the any~~
10 **available homestead credit credits under IC 6-1.1-20.4,**
11 **IC 6-3.5-6-13, or another law** and each deduction.

12 ~~(C)~~ (D) The procedure that a taxpayer must follow to:

13 (i) appeal a current assessment; or

14 (ii) petition for the correction of an error related to the
15 taxpayer's property tax and special assessment liability.

16 ~~(D)~~ (E) The forms that must be filed for an appeal or a petition
17 described in clause ~~(C)~~: (D).

18 (F) **The procedure and deadline that a taxpayer must**
19 **follow and the forms that must be used if a credit or**
20 **deduction has been granted for the property and the**
21 **taxpayer is no longer eligible for the credit or deduction.**

22 The department of local government finance shall provide the
23 explanation required by this subdivision to each county treasurer.

24 (8) A checklist that shows:

25 (A) ~~the homestead credit credits under IC 6-1.1-20.4,~~
26 **IC 6-3.5-6-13, or another law** and all property tax
27 deductions; and

28 (B) whether ~~the each~~ homestead credit and ~~each~~ property tax
29 deduction applies in the current statement for the property
30 transmitted under subsection ~~(b)~~: (a).

31 (9) **This subdivision applies to any property for which a**
32 **deduction or credit is listed under subdivision (8) if the notice**
33 **required under this subdivision was not provided to a**
34 **taxpayer on a reconciling statement under IC 6-1.1-22.5-12.**
35 **The statement must include in 2010, 2011, and 2012 a notice**
36 **that must be returned by the taxpayer to the county auditor**
37 **with the taxpayer's verification of the items required by this**
38 **subdivision. The notice must explain the tax consequences and**
39 **applicable penalties if a taxpayer unlawfully claims a**
40 **standard deduction under IC 6-1.1-12-37 on:**

41 (A) **more than one (1) parcel of property; or**

42 (B) **property that is not the taxpayer's principal place of**
43 **residence or is otherwise not eligible for the standard**
44 **deduction.**

45 **The notice must include a place for the taxpayer to indicate,**
46 **under penalties of perjury, for each deduction and credit**

1 listed under subdivision (8), whether the property is eligible
 2 for the deduction or credit listed under subdivision (8). The
 3 notice must also include a place for each individual who
 4 qualifies the property for a deduction or credit listed in
 5 subdivision (8) to indicate the name of the individual and the
 6 name of the individual's spouse (if any), as the names appear
 7 in the records of the United States Social Security
 8 Administration for purposes of the issuance of a Social
 9 Security card and Social Security number (or that they use as
 10 their legal names when they sign their names on legal
 11 documents), and either the last five (5) digits of each
 12 individual's Social Security number or, if an individual does
 13 not have a Social Security number, the numbers required
 14 from the individual under IC 6-1.1-12-37(e)(4)(B). The notice
 15 must explain that the taxpayer must complete and return the
 16 notice with the required information and that failure to
 17 complete and return the notice may result in disqualification
 18 of property for deductions and credits listed in subdivision (8),
 19 must explain how to return the notice, and must be on a
 20 separate form printed on paper that is a different color than
 21 the tax statement. The notice must be prepared in the form
 22 prescribed by the department of local government finance and
 23 include any additional information required by the
 24 department of local government finance. This subdivision
 25 expires January 1, 2014."

26 Page 6, line 37, strike "(d)" and insert "(c)".

27 Page 7, line 4, after "installment." insert "**If a statement is returned**
 28 **to the county treasurer as undeliverable and the forwarding order**
 29 **is expired, the county treasurer shall notify the county auditor of**
 30 **this fact. Upon receipt of the county treasurer's notice, the county**
 31 **auditor may, at the county auditor's discretion, treat the property**
 32 **as not being eligible for any deductions under IC 6-1.1-12 or any**
 33 **homestead credits under IC 6-1.1-20.4 and IC 6-3.5-6-13."**

34 Page 7, line 5, strike "(e)" and insert "(d)".

35 Page 7, line 10, strike "(f)" and insert "(e)".

36 Page 7, line 12, strike "(c)." and insert "(b).".

37 Page 7, line 13, strike "(g)" and insert "(f)".

38 Page 7, line 14, strike "(c)" and insert "(b)".

39 Page 7, line 16, strike "(h)" and insert "(g)".

40 Page 7, line 19, delete "(i)" and insert "(h)".

41 Page 7, line 21, delete "(j)," and insert "(i)".

42 Page 7, line 28, delete "(b)(1)" and insert "(a)(1)".

43 Page 8, line 8, delete "(j)" and insert "(i)".

44 Page 8, line 9, delete "(i)" and insert "(h)".

45 Page 8, line 13, delete "(i)." and insert "(h).".

46 Page 8, line 14, delete "(k)" and insert "(j)".

- 1 Page 8, line 15, delete "(i)." and insert "**(h)**".
- 2 Page 8, line 20, delete "(i)" and insert "**(h)**".
- 3 Page 8, line 29, delete "(l)" and insert "**(k)**".
- 4 Page 8, line 29, delete "(k)" and insert "**(j)**".
- 5 Page 8, line 30, delete "(k)(2)" and insert "**(j)(2)**".
- 6 Page 8, line 36, delete "(i):" and insert "**(h):**".
- 7 Page 9, line 1, delete "(i)." and insert "**(h)**".
- 8 Page 9, line 6, delete "(i)." and insert "**(h)**".
- 9 Page 9, line 7, delete "(m)" and insert "**(l)**".
- 10 Page 9, line 7, delete "(k)" and insert "**(j)**".
- 11 Page 9, line 12, delete "(n)" and insert "**(m)**".
- 12 Page 9, between lines 31 and 32, begin a new line block indented
- 13 and insert:
- 14 "**(5) Section 9.7 of this chapter.**".
- 15 Page 9, line 42, strike "8.1(b)" and insert "**8.1**".
- 16 Page 10, line 7, strike "8.1(b)" and insert "**8.1**".
- 17 Page 10, line 41, delete "8.1(i)" and insert "**8.1(h)**".
- 18 Page 11, line 3, delete "8.1(b)" and insert "**8.1(a)**".
- 19 Page 11, line 9, delete "8.1(i)" and insert "**8.1(h)**".
- 20 Page 11, line 11, delete "8.1(i)" and insert "**8.1(h)**".
- 21 Page 17, line 18, delete "IC 6-1.1-22-8.1(i)," and insert "**IC**
- 22 **6-1.1-22-8.1(h)**".
- 23 Page 17, line 20, delete "IC 6-1.1-22-8.1(i)." and insert "**IC**
- 24 **6-1.1-22-8.1(h)**".
- 25 Page 17, between lines 20 and 21, begin a new paragraph and insert:
- 26 "SECTION 13. IC 6-1.1-22.5-8, AS ADDED BY P.L.1-2004,
- 27 SECTION 37, AND AS ADDED BY P.L.23-2004, SECTION 40, AND
- 28 AMENDED BY P.L.219-2007, SECTION 65, IS CORRECTED AND
- 29 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:
- 30 Sec. 8. **(a)** A provisional statement must:
- 31 (1) be on a form approved by the state board of accounts;
- 32 (2) except as provided in emergency rules adopted under section
- 33 20 of this chapter **and subsection (b)**, indicate tax liability in the
- 34 amount of ninety percent (90%) of the tax liability that was
- 35 payable in the same year as the assessment date for the property
- 36 for which the provisional statement is issued;
- 37 (3) indicate:
- 38 (A) that the tax liability under the provisional statement is
- 39 determined as described in subdivision (2); and
- 40 (B) that property taxes billed on the provisional statement:
- 41 (i) are due and payable in the same manner as property taxes
- 42 billed on a tax statement under ~~IC 6-1.1-22-8;~~
- 43 **IC 6-1.1-22-8.1**; and
- 44 (ii) will be credited against a reconciling statement;
- 45 (4) include *the following* ~~a~~ *statement in the following or a*
- 46 *substantially similar form, as determined by the department of*

1 *local government finance:*
 2 "Under Indiana law, _____ County (insert county) has elected
 3 to send provisional statements because the county did not
 4 complete the abstract of the property, assessments, taxes,
 5 deductions, and exemptions for taxes payable in (insert year) in
 6 each taxing district before March 16, (insert year). The statement
 7 is due to be paid in installments on ~~May 10~~ _____ (*insert*
 8 *date*) and ~~November 10~~ _____ (*insert date*). The statement is
 9 based on ninety percent (90%) of your tax liability for taxes
 10 payable in (insert year), subject to adjustment for any new
 11 construction on your property *or any damage to your property*.
 12 After the abstract of property is complete, you will receive a
 13 reconciling statement in the amount of your actual tax liability for
 14 taxes payable in (insert year), minus the amount you pay under
 15 this provisional statement."
 16 (5) indicate liability for:
 17 (A) delinquent:
 18 (i) taxes; and
 19 (ii) special assessments;
 20 (B) penalties; and
 21 (C) interest;
 22 is allowed to appear on the tax statement under ~~IC 6-1.1-22-8~~
 23 **IC 6-1.1-22-8.1** for the *May first* installment of property taxes in
 24 the year in which the provisional tax statement is issued; ~~and~~
 25 **(6) include:**
 26 **(A) a checklist that shows:**
 27 **(i) homestead credits under IC 6-1.1-20.4, IC 6-3.5-6-13,**
 28 **or another law and all property tax deductions; and**
 29 **(ii) whether each homestead credit and property tax**
 30 **deduction was applied in the current provisional**
 31 **statement;**
 32 **(B) an explanation of the procedure and deadline that a**
 33 **taxpayer must follow and the forms that must be used if a**
 34 **credit or deduction has been granted for the property and**
 35 **the taxpayer is no longer eligible for the credit or**
 36 **deduction; and**
 37 **(C) an explanation of the tax consequences and applicable**
 38 **penalties if a taxpayer unlawfully claims a standard**
 39 **deduction under IC 6-1.1-12-37 on:**
 40 **(i) more than one (1) parcel of property; or**
 41 **(ii) property that is not the taxpayer's principal place of**
 42 **residence or is otherwise not eligible for a standard**
 43 **deduction; and**
 44 ~~(6)~~ (7) include any other information the county treasurer
 45 requires.
 46 **(b) This subsection applies to property taxes first due and**

1 payable for assessment dates after January 15, 2009. The county
 2 may apply a standard deduction, supplemental standard deduction,
 3 or homestead credit calculated by the county's property system on
 4 a provisional bill for a qualified property. If a provisional bill has
 5 been used for property tax billings for two (2) consecutive years
 6 and a property qualifies for a standard deduction, supplemental
 7 standard deduction, or homestead credit for the second year a
 8 provisional bill is used, the county shall apply the standard
 9 deduction, supplemental standard deduction, or homestead credit
 10 calculated by the county's property system on the provisional bill."

11 Page 18, line 5, delete "IC 6-1.1-22-8.1(i)." and insert "**IC**
 12 **6-1.1-22-8.1(h).**"

13 Page 19, line 32, delete "IC 6-1.1-22-8.1(i)," and insert "**IC**
 14 **6-1.1-22-8.1(h),**".

15 Page 19, line 34, delete "IC 6-1.1-22-8.1(i)." and insert "**IC**
 16 **6-1.1-22-8.1(h).**"

17 Page 19, between lines 34 and 35, a new paragraph and insert:

18 "**(e) At the election of a county auditor, a checklist required by**
 19 **IC 6-1.1-22-8.1(b)(8) and a notice required by IC 6-1.1-22-8.1(b)(9)**
 20 **may be sent to a taxpayer with a reconciling statement under this**
 21 **section. This subsection expires January 1, 2013.**

22 SECTION 16. IC 6-1.1-36-17 IS ADDED TO THE INDIANA
 23 CODE AS A NEW SECTION TO READ AS FOLLOWS
 24 [EFFECTIVE JULY 1, 2009]: **Sec. 17. (a) As used in this section,**
 25 **"nonreverting fund" refers to a nonreverting fund established**
 26 **under subsection (c).**

27 **(b) Each county auditor who makes a determination that**
 28 **property was not eligible for a standard deduction under**
 29 **IC 6-1.1-12-37 or a homestead credit under IC 6-1.1-20.9**
 30 **(repealed) in a particular year shall notify the county treasurer of**
 31 **the determination. The county auditor shall issue a notice of taxes,**
 32 **interest, and penalties due to the owner and include a statement**
 33 **that the payment is to be made payable to the county auditor. The**
 34 **notice must require full payment of the amount owed within thirty**
 35 **(30) days.**

36 **(c) Each county auditor shall establish a nonreverting fund.**
 37 **Upon collection of the adjustment in tax due (and any interest and**
 38 **penalties on that amount) after the termination of a deduction or**
 39 **credit as specified in subsection (b), the county treasurer shall**
 40 **deposit that amount in the nonreverting fund. Any part of the**
 41 **amount that is not collected by the due date shall be placed on the**
 42 **tax duplicate for the affected property and collected in the same**
 43 **manner as other property taxes. The adjustment in tax due (and**
 44 **any interest and penalties on that amount) after the termination of**
 45 **a deduction or credit as specified in subsection (b) shall be**
 46 **deposited in the nonreverting fund only in the first year in which**
 47 **that amount is collected.**

1 **(d) The amount to be deposited in the nonreverting fund**
 2 **includes adjustments in the tax due as a result of the termination**
 3 **of deductions or credits available only for property that satisfies**
 4 **the eligibility for a standard deduction under IC 6-1.1-12-37 or a**
 5 **homestead credit under IC 6-1.1-20.9 (repealed), including the**
 6 **following:**

7 **(1) Supplemental deductions under IC 6-1.1-12-37.5.**

8 **(2) Homestead credits under IC 6-1.1-20.4, IC 6-3.5-1.1-26,**
 9 **IC 6-3.5-6-13, IC 6-3.5-6-32, IC 6-3.5-7-13.1, or IC 6-3.5-7-26,**
 10 **or any other law.**

11 **(3) Credit for excessive property taxes under IC 6-1.1-20.6-7.5**
 12 **or IC 6-1.1-20.6-8.5.**

13 **Any amount paid that exceeds the amount required to be deposited**
 14 **in the nonreverting fund shall be distributed as property taxes.**

15 **(e) Money in the nonreverting fund shall be treated as**
 16 **miscellaneous revenue. Distributions shall be made from the**
 17 **nonreverting fund established under this section upon**
 18 **appropriation by the county fiscal body and shall be made only for**
 19 **the following purposes:**

20 **(1) Fees and other costs incurred by the county auditor to**
 21 **discover property that is eligible for a standard deduction**
 22 **under IC 6-1.1-12-37 or a homestead credit under**
 23 **IC 6-1.1-20.9 (repealed).**

24 **(2) Other expenses of the office of the county auditor.**

25 **(3) The cost of preparing, sending, and processing notices**
 26 **described in IC 6-1.1-22-8.1(b)(9) and checklists or notices**
 27 **described in IC 6-1.1-22.5-12(d).**

28 **The amount of deposits in a reverting fund, the balance of a**
 29 **nonreverting fund, and expenditures from a reverting fund may**
 30 **not be considered in establishing the budget of the office of the**
 31 **county auditor or in setting property tax levies that will be used in**
 32 **any part to fund the office of the county auditor.**

33 SECTION 17. IC 6-9-39-5, AS AMENDED BY P.L.3-2008,
 34 SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2009]: Sec. 5. (a) The fiscal body of a county may collect a
 36 county option dog tax imposed under section 3 of this chapter by any
 37 combination of the following methods:

38 **(1) By designating one (1) or more persons in the county to**
 39 **collect the tax.**

40 **(2) By requiring a person who harbors or keeps a taxable dog to**
 41 **submit a complete and accurate county option dog tax return.**

42 **(3) By a method other than a method described in subdivision (1)**
 43 **or (2) as determined by the fiscal body of the county.**

44 **(b) A designee under subsection (a)(1) may retain a fee from the tax**
 45 **collected for each taxable dog in an amount determined by the fiscal**
 46 **body not to exceed seventy-five cents (\$0.75). A designee shall remit**
 47 **the balance of the money collected to the county treasurer by the tenth**

1 day of each month.

2 (c) If a fiscal body chooses to collect a county option dog tax
3 imposed under section 3 of this chapter by requiring the submission of
4 a county option dog tax return under subsection (a), the county
5 treasurer may include a county option dog tax return form with every
6 property tax statement that is mailed to a person under
7 ~~IC 6-1.1-22-8.1(b)(1)~~. **IC 6-1.1-22-8.1(a)(1)**.

8 (d) The department of local government finance shall prescribe a
9 county option dog tax return form that a county may use for the
10 reporting of county option dog tax liability.

11 **SECTION 18. [EFFECTIVE JULY 1, 2009] (a) The commission**
12 **on state tax and financing policy established under IC 2-5-3 shall**
13 **in 2011 study issues related to the notice provided under**
14 **IC 6-1.1-22-8.1(b)(9), as added by this act, and the termination of**
15 **deductions under that provision.**

16 **(b) Before November 1, 2011, the commission on state tax and**
17 **financing policy shall report findings and make recommendations**
18 **concerning the study topic described in subsection (a) in a final**
19 **report to the legislative council in an electronic format under**
20 **IC 5-14-6.**

21 **(c) This SECTION expires July 1, 2012."**

22 Renumber all SECTIONS consecutively.
(Reference is to ESB 285 as printed April 10, 2009.)

Representative Pryor