Reprinted
February 20, 2009

HOUSE BILL No. 1094

DIGEST OF HB 1094 (Updated February 19, 2009 2:38 pm - DI 52)

Citations Affected: IC 6-1.1; noncode.

Synopsis: Property tax assessments and notices. Requires that real property be valued for property tax assessment purposes as of the assessment date. Eliminates: (1) the requirement for the county auditor to mail an annual information statement to each person liable for property taxes; and (2) the alternative property tax assessment appeal deadline based on the mailing date of the county auditor's statement. Provides that a notice of assessment or reassessment and a property tax bill must include certain information concerning assessment appeals, including a notice that an appeal requires evidence relevant to the true tax value of the taxpayer's property as of the assessment date that is the basis for the estimated taxes payable on that property. Voids rules and guidelines that require assessing officials to value real property on a date that is different from the assessment date to which the value applies. Provides an exemption to the deadlines specified by law for the adoption of certain rules and certain other actions in order to bring the rules and actions into conformity with the change in valuation date.

Effective: Upon passage; July 1, 2009.

Grubb, Cherry, Welch, Espich

January 8, 2009, read first time and referred to Committee on Ways and Means.
February 3, 2009, amended, reported — Do Pass.
February 19, 2009, read second time, amended, ordered engrossed.

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Reprinted
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First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type.~~

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~*this style type*~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

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HOUSE BILL No. 1094

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

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

SECTION 1. IC 6-1.1-4-4, AS AMENDED BY P.L.146-2008, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) A general reassessment, involving a physical inspection of all real property in Indiana, shall begin July 1, 2000, and be the basis for taxes payable in 2003.

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

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

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

(c) In order to ensure that assessing officials are prepared for a general reassessment of real property, the department of local government finance shall give adequate advance notice of the general reassessment to the assessing officials of each county.

(d) For a general reassessment that begins on or after July 1, 2009, the assessed value of real property shall be based on the estimated true tax value of the property on the assessment date that is the basis for taxes payable in the year following the year in which the general reassessment is to be completed.

SECTION 2. IC 6-1.1-4-4.5, AS AMENDED BY P.L.228-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4.5. (a) The department of local government finance shall adopt rules establishing a system for annually adjusting the assessed value of real property to account for changes in value in those years since a general reassessment of property last took effect.

(b) Subject to subsection (e), the system must be applied to adjust assessed values beginning with the 2006 assessment date and each year thereafter that is not a year in which a reassessment becomes effective.

(c) The rules adopted under subsection (a) must include the following characteristics in the system:

(1) Promote uniform and equal assessment of real property within and across classifications.

(2) Require that assessing officials:

(A) reevaluate the factors that affect value;

(B) express the interactions of those factors mathematically;

(C) use mass appraisal techniques to estimate updated property values within statistical measures of accuracy; and

(D) provide notice to taxpayers of an assessment increase that results from the application of annual adjustments.

(3) Prescribe procedures that permit the application of the adjustment percentages in an efficient manner by assessing officials.

(d) The department of local government finance must review and certify each annual adjustment determined under this section.

(e) In making the annual determination of the base rate to satisfy the requirement for an annual adjustment under subsection (a), the department of local government finance shall determine the base rate using the methodology reflected in Table 2-18 of Book 1, Chapter 2 of the department of local government finance's Real Property Assessment Guidelines (as in effect on January 1, 2005), except that the department shall adjust the methodology to use a six (6) year rolling average instead of a four (4) year rolling average.

(f) For assessment dates after January 15, 2009, an adjustment in the assessed value of real property under this section shall be based on the estimated true tax value of the property on the assessment date that is the basis for taxes payable on that real

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property.

SECTION 3. IC 6-1.1-4-13.6, AS AMENDED BY P.L.146-2008, SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13.6. (a) The township assessor, or the county assessor if there is no township assessor for the township, shall determine the values of all classes of commercial, industrial, and residential land (including farm homesites) in the township or county using guidelines determined by the department of local government finance. Not later than November 1 of the year preceding the year in which a general reassessment becomes effective, the assessor determining the values of land shall submit the values to the county property tax assessment board of appeals. Not later than ~~December~~ **March** 1 of the year ~~preceding the year~~ in which a general reassessment becomes effective, the county property tax assessment board of appeals shall hold a public hearing in the county concerning those values. The property tax assessment board of appeals shall give notice of the hearing in accordance with IC 5-3-1. ~~and shall hold the hearing after March 31 and before December 1 of the year preceding the year in which the general reassessment under section 4 of this chapter becomes effective.~~

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

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

SECTION 4. IC 6-1.1-4-22, AS AMENDED BY P.L.146-2008, SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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UPON PASSAGE]: Sec. 22. (a) If any assessing official assesses or reassesses any real property under this article, the official shall give notice to the taxpayer and the county assessor, by mail, of the amount of the assessment or reassessment.

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

(1) completes the appraisal of a parcel; or

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

(c) The notice required by this section must include notice to the person of the opportunity to appeal the assessed valuation under IC 6-1.1-15-1.

(d) Notice of the opportunity to appeal the assessed valuation required under subsection (c) must include the following:

(1) The procedure that a taxpayer must follow to appeal the assessment or reassessment.

(2) The forms that must be filed for an appeal of the assessment or reassessment.

(3) Notice that an appeal of the assessment or reassessment requires evidence relevant to the true tax value of the taxpayer's property as of the assessment date.

SECTION 5. IC 6-1.1-15-1, AS AMENDED BY P.L.146-2008, SECTION 137, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) A taxpayer may obtain a review by the county board of a county or township official's action with respect to either or both of the following:

(1) The assessment of the taxpayer's tangible property.

(2) A deduction for which a review under this section is authorized by any of the following:

(A) IC 6-1.1-12-25.5.

(B) IC 6-1.1-12-28.5.

(C) IC 6-1.1-12-35.5.

(D) IC 6-1.1-12.1-5.

(E) IC 6-1.1-12.1-5.3.

(F) IC 6-1.1-12.1-5.4.

(b) At the time that notice of an action referred to in subsection (a) is given to the taxpayer, the taxpayer shall also be informed in writing of:

(1) the opportunity for a review under this section, including a preliminary informal meeting under subsection (h)(2) with the county or township official referred to in this subsection; and

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

(c) In order to obtain a review of an assessment or deduction effective for the assessment date to which the notice referred to in subsection (b) applies, the taxpayer must file a notice in writing with the county or township official referred to in subsection (a) not later than forty-five (45) days after the date of the notice referred to in subsection (b).

(d) A taxpayer may obtain a review by the county board of the assessment of the taxpayer's tangible property effective for an assessment date for which a notice of assessment is not given as described in subsection (b). To obtain the review, the taxpayer must file a notice in writing with the township assessor, or the county assessor if the township is not served by a township assessor. The right of a taxpayer to obtain a review under this subsection for an assessment date for which a notice of assessment is not given does not relieve an assessing official of the duty to provide the taxpayer with the notice of assessment as otherwise required by this article. ~~For an assessment date in a year before 2009,~~ The notice must be filed on or before May 10 of the year. ~~For an assessment date in a year after 2008, the notice must be filed not later than the later of:~~

~~(1) May 10 of the year; or~~

~~(2) forty-five (45) days after the date of the statement mailed by the county auditor under IC 6-1.1-17-3(b).~~

(e) A change in an assessment made as a result of a notice for review filed by a taxpayer under subsection (d) after the time prescribed in subsection (d) becomes effective for the next assessment date. A change in an assessment made as a result of a notice for review filed by a taxpayer under subsection (c) or (d) remains in effect from the assessment date for which the change is made until the next assessment date for which the assessment is changed under this article.

(f) The written notice filed by a taxpayer under subsection (c) or (d) must include the following information:

(1) The name of the taxpayer.

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

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

(g) The filing of a notice under subsection (c) or (d):

(1) initiates a review under this section; and

(2) constitutes a request by the taxpayer for a preliminary informal meeting with the official referred to in subsection (a).

(h) A county or township official who receives a notice for review filed by a taxpayer under subsection (c) or (d) shall:

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(1) immediately forward the notice to the county board; and

(2) attempt to hold a preliminary informal meeting with the taxpayer to resolve as many issues as possible by:

(A) discussing the specifics of the taxpayer's assessment or deduction;

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

(C) explaining to the taxpayer how the assessment or deduction was determined;

(D) providing to the taxpayer information about the statutes, rules, and guidelines that govern the determination of the assessment or deduction;

(E) noting and considering objections of the taxpayer;

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

(G) otherwise educating the taxpayer about:

(i) the taxpayer's assessment or deduction;

(ii) the assessment or deduction process; and

(iii) the assessment or deduction appeal process.

(i) Not later than ten (10) days after the informal preliminary meeting, the official referred to in subsection (a) shall forward to the county auditor and the county board the results of the conference on a form prescribed by the department of local government finance that must be completed and signed by the taxpayer and the official. The form must indicate the following:

(1) If the taxpayer and the official agree on the resolution of all assessment or deduction issues in the review, a statement of:

(A) those issues; and

(B) the assessed value of the tangible property or the amount of the deduction that results from the resolution of those issues in the manner agreed to by the taxpayer and the official.

(2) If the taxpayer and the official do not agree on the resolution of all assessment or deduction issues in the review:

(A) a statement of those issues; and

(B) the identification of:

(i) the issues on which the taxpayer and the official agree; and

(ii) the issues on which the taxpayer and the official disagree.

(j) If the county board receives a form referred to in subsection (i)(1) before the hearing scheduled under subsection (k):

(1) the county board shall cancel the hearing;

(2) the county official referred to in subsection (a) shall give notice to the taxpayer, the county board, the county assessor, and

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the county auditor of the assessment or deduction in the amount referred to in subsection (i)(1)(B); and

(3) if the matter in issue is the assessment of tangible property, the county board may reserve the right to change the assessment under IC 6-1.1-13.

(k) If:

(1) subsection (i)(2) applies; or

(2) the county board does not receive a form referred to in subsection (i) not later than one hundred twenty (120) days after the date of the notice for review filed by the taxpayer under subsection (c) or (d);

the county board shall hold a hearing on a review under this subsection not later than one hundred eighty (180) days after the date of that notice. The county board shall, by mail, give notice of the date, time, and place fixed for the hearing to the taxpayer and the county or township official with whom the taxpayer filed the notice for review. The taxpayer and the county or township official with whom the taxpayer filed the notice for review are parties to the proceeding before the county board. The county assessor is recused from any action the county board takes with respect to an assessment determination by the county assessor.

(l) At the hearing required under subsection (k):

(1) the taxpayer may present the taxpayer's reasons for disagreement with the assessment or deduction; and

(2) the county or township official with whom the taxpayer filed the notice for review must present:

(A) the basis for the assessment or deduction decision; and

(B) the reasons the taxpayer's contentions should be denied.

(m) The official referred to in subsection (a) may not require the taxpayer to provide documentary evidence at the preliminary informal meeting under subsection (h). The county board may not require a taxpayer to file documentary evidence or summaries of statements of testimonial evidence before the hearing required under subsection (k). If the action for which a taxpayer seeks review under this section is the assessment of tangible property, the taxpayer is not required to have an appraisal of the property in order to do the following:

(1) Initiate the review.

(2) Prosecute the review.

(n) The county board shall prepare a written decision resolving all of the issues under review. The county board shall, by mail, give notice of its determination not later than one hundred twenty (120) days after the hearing under subsection (k) to the taxpayer, the official referred to

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in subsection (a), the county assessor, and the county auditor.

(o) If the maximum time elapses:

(1) under subsection (k) for the county board to hold a hearing; or

(2) under subsection (n) for the county board to give notice of its determination;

the taxpayer may initiate a proceeding for review before the Indiana board by taking the action required by section 3 of this chapter at any time after the maximum time elapses.

SECTION 6. IC 6-1.1-17-3, AS AMENDED BY P.L.146-2008, SECTION 147, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local government finance and approved by the state board of accounts. The political subdivision shall give notice by publication to taxpayers of:

(1) the estimated budget;

(2) the estimated maximum permissible levy;

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

(4) the amounts of excessive levy appeals to be requested.

In the notice, the political subdivision shall also state the time and place at which a public hearing will be held on these items. The notice shall be published twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing. Beginning in 2009, the duties required by this subsection must be completed before August 10 of the calendar year. ~~A political subdivision shall provide the estimated budget and levy information required for the notice under subsection (b) to the county auditor on the schedule determined by the department of local government finance.~~

~~(b) Beginning in 2010, before October 1 of a calendar year, the county auditor shall mail to the last known address of each person liable for any property taxes, as shown on the tax duplicate, or to the last known address of the most recent owner shown in the transfer book, a statement that includes:~~

~~(1) the assessed valuation as of the assessment date in the current calendar year of tangible property on which the person will be liable for property taxes first due and payable in the immediately succeeding calendar year and notice to the person of the opportunity to appeal the assessed valuation under IC 6-1.1-15-1(c) (before July 1, 2008) or IC 6-1.1-15-1 (after June 30, 2008);~~

~~(2) the amount of property taxes for which the person will be~~

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~~liable to each political subdivision on the tangible property for taxes first due and payable in the immediately succeeding calendar year; taking into account all factors that affect that liability, including:~~

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

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

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

~~(D) the county auditor's best estimate of the effects on the tax liability that might result from actions of:~~

~~(i) the county board of tax adjustment; or~~

~~(ii) the department of local government finance;~~

~~(3) a prominently displayed notation that:~~

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

~~(B) based on various factors, including potential actions by:~~

~~(i) the county board of tax adjustment; or~~

~~(ii) the department of local government finance;~~

~~it is possible that the tax liability as finally determined will differ substantially from the estimate;~~

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

~~(5) the date, time, and place at which the political subdivision will hold a public hearing on the political subdivision's estimated budget and proposed tax rate and tax levy as required under subsection (a).~~

~~(c) The department of local government finance shall:~~

~~(1) prescribe a form for; and~~

~~(2) provide assistance to county auditors in preparing;~~

~~statements under subsection (b). Mailing the statement described in subsection (b) to a mortgagee maintaining an escrow account for a person who is liable for any property taxes shall not be construed as compliance with subsection (b).~~

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

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

(2) in accordance with the annual notice of meetings published

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under IC 13-21-5-2.

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

~~(f)~~ **(d)** This subsection expires January 1, 2009. A county shall adopt with the county budget and the department of local government finance shall certify under section 16 of this chapter a tax rate sufficient to raise the levy necessary to pay the following:

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

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

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

SECTION 7. IC 6-1.1-22-8.1, AS AMENDED BY P.L.3-2008, SECTION 53, AND AS AMENDED BY P.L.146-2008, SECTION 251, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.1. (a) This section applies only to property taxes and special assessments first due and payable after December 31, 2007.

(b) The county treasurer shall:

(1) Mail to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records, or to the last known address of the most recent owner shown in the transfer book; and

(2) transmit by written, electronic, or other means to a mortgagee maintaining an escrow account for a person who is liable for any property taxes or special assessments, as shown on the tax duplicate or special assessment records;

a statement in the form required under subsection (c). *However, for property taxes first due and payable in 2008, the county treasurer may choose to use a tax statement that is different from the tax statement prescribed by the department under subsection (c). If a county chooses to use a different tax statement, the county must still transmit (with the*

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tax bill) the statement in either color type or black-and-white type.

(c) The department of local government finance shall prescribe a form, subject to the approval of the state board of accounts, for the statement under subsection (b) that includes at least the following:

(1) A statement of the taxpayer's current and delinquent taxes and special assessments.

(2) A breakdown showing the total property tax and special assessment liability and the amount of the taxpayer's liability that will be distributed to each taxing unit in the county.

(3) An itemized listing for each property tax levy, including:

(A) the amount of the tax rate;

(B) the entity levying the tax owed; and

(C) the dollar amount of the tax owed.

(4) Information designed to show the manner in which the taxes and special assessments billed in the tax statement are to be used.

(5) A comparison showing any change in the assessed valuation for the property as compared to the previous year.

(6) A comparison showing any change in the property tax and special assessment liability for the property as compared to the previous year. The information required under this subdivision must identify:

(A) the amount of the taxpayer's liability distributable to each taxing unit in which the property is located in the current year and in the previous year; and

(B) the percentage change, if any, in the amount of the taxpayer's liability distributable to each taxing unit in which the property is located from the previous year to the current year.

(7) An explanation of the following:

(A) The homestead credit and all property tax deductions.

(B) The procedure and deadline for filing for the homestead credit and each deduction.

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

(i) appeal a current assessment; or

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

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

(E) Notice that an appeal described in clause (C) requires evidence relevant to the true tax value of the taxpayer's property as of the assessment date that is the basis for the taxes payable on that property.

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

(8) A checklist that shows:

(A) the homestead credit and all property tax deductions; and

(B) whether the homestead credit and each property tax deduction applies in the current statement for the property transmitted under subsection (b).

(d) The county treasurer may mail or transmit the statement one (1) time each year at least fifteen (15) days before the date on which the first or only installment is due. Whenever a person's tax liability for a year is due in one (1) installment under IC 6-1.1-7-7 or section 9 of this chapter, a statement that is mailed must include the date on which the installment is due and denote the amount of money to be paid for the installment. Whenever a person's tax liability is due in two (2) installments, a statement that is mailed must contain the dates on which the first and second installments are due and denote the amount of money to be paid for each installment.

(e) All payments of property taxes and special assessments shall be made to the county treasurer. The county treasurer, when authorized by the board of county commissioners, may open temporary offices for the collection of taxes in cities and towns in the county other than the county seat.

(f) The county treasurer, county auditor, and county assessor shall cooperate to generate the information to be included in the statement under subsection (c).

(g) The information to be included in the statement under subsection (c) must be simply and clearly presented and understandable to the average individual.

(h) After December 31, 2007, a reference in a law or rule to IC 6-1.1-22-8 *(expired January 1, 2008, and repealed)* shall be treated as a reference to this section.

SECTION 8. [EFFECTIVE UPON PASSAGE] **(a) 50 IAC 21-3-3 and any other rule or guideline of the department of local government finance is voided on July 1, 2009, to the extent that it is inconsistent with IC 6-1.1-4-4, IC 6-1.1-4-4.5, or IC 6-1.1-4-13.6, all as amended by this act. Notwithstanding any other law specifying the last date on which the department of local government finance or a political subdivision may certify a professional appraiser, certify computer systems or computer vendors, enter into a contract, or adopt a rule or guidelines for a general reassessment or annual adjustment in assessed value, the acts necessary to certify or recertify a professional appraiser,**

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certify or recertify a computer system or vendor, enter into or amend a contract, or adopt a rule or guideline to conform a certification, contract, rule, or guideline to IC 6-1.1-4-4, IC 6-1.1-4-4.5, or IC 6-1.1-4-13.6, all as amended by this act, may be taken after the effective date of this SECTION.

(b) This SECTION expires July 1, 2010.

SECTION 9. **An emergency is declared for this act.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1094, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 5, delete "assessment" and insert "**reassessment**".

Page 2, line 42, delete "true tax" and insert "**real property.**".

Page 3, delete line 1.

Page 3, between lines 40 and 41, begin a new paragraph and insert:

"SECTION 4. IC 6-1.1-4-22, AS AMENDED BY P.L.146-2008, SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 22. (a) If any assessing official assesses or reassesses any real property under this article, the official shall give notice to the taxpayer and the county assessor, by mail, of the amount of the assessment or reassessment.

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

(1) completes the appraisal of a parcel; or

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

(c) The notice required by this section must include notice to the person of the opportunity to appeal the assessed valuation under IC 6-1.1-15-1.

(d) Notice of the opportunity to appeal the assessed valuation required under subsection (c) must include the following:

(1) The procedure that a taxpayer must follow to appeal the assessment or reassessment.

(2) The forms that must be filed for an appeal of the assessment or reassessment.

(3) Notice that an appeal of the assessment or reassessment requires evidence relevant to the true tax value of the taxpayer's property as of the assessment date.

SECTION 5. IC 6-1.1-17-3, AS AMENDED BY P.L.146-2008, SECTION 147, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local government finance and approved by the state board of accounts. The political subdivision shall give notice by publication to taxpayers of:

(1) the estimated budget;

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(2) the estimated maximum permissible levy;

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

(4) the amounts of excessive levy appeals to be requested.

In the notice, the political subdivision shall also state the time and place at which a public hearing will be held on these items. The notice shall be published twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing. Beginning in 2009, the duties required by this subsection must be completed before August 10 of the calendar year. A political subdivision shall provide the estimated budget and levy information required for the notice under subsection (b) to the county auditor on the schedule determined by the department of local government finance.

(b) Beginning in 2010, before October 1 of a calendar year, the county auditor shall mail to the last known address of each person liable for any property taxes, as shown on the tax duplicate, or to the last known address of the most recent owner shown in the transfer book, a statement that includes **the following:**

(1) The assessed valuation as of the assessment date in the current calendar year of tangible property on which the person will be liable for property taxes first due and payable in the immediately succeeding calendar year and notice to the person of the opportunity to appeal the assessed valuation under IC 6-1.1-15-1(c) (before July 1, 2008) or IC 6-1.1-15-1 (after June 30, 2008).

(2) Notice of the opportunity to appeal the assessed valuation required under subdivision (1) must include the following:

(A) The procedure that a taxpayer must follow to:

(i) appeal a current assessment; or

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

(B) The forms that must be filed for an appeal or a petition described in clause (A).

(C) Notice that an appeal described in clause (A) requires evidence relevant to the true tax value of the taxpayer's property as of the assessment date that is the basis for the estimated taxes payable on that property.

~~(2)~~ **(3)** The amount of property taxes for which the person will be liable to each political subdivision on the tangible property for taxes first due and payable in the immediately succeeding calendar year, taking into account all factors that affect that liability, including:

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(A) the estimated budget and proposed tax rate and tax levy formulated by the political subdivision under subsection (a);
(B) any deductions or exemptions that apply to the assessed valuation of the tangible property;
(C) any credits that apply in the determination of the tax liability; and
(D) the county auditor's best estimate of the effects on the tax liability that might result from actions of:
(i) the county board of tax adjustment; or
(ii) the department of local government finance.

~~(3)~~ **(4)** A prominently displayed notation that:
(A) the estimate under subdivision ~~(2)~~ **(3)** is based on the best information available at the time the statement is mailed; and
(B) based on various factors, including potential actions by:
(i) the county board of tax adjustment; or
(ii) the department of local government finance;
it is possible that the tax liability as finally determined will differ substantially from the estimate.

~~(4)~~ **(5)** Comparative information showing the amount of property taxes for which the person is liable to each political subdivision on the tangible property for taxes first due and payable in the current year. ~~and~~

~~(5)~~ **(6)** The date, time, and place at which the political subdivision will hold a public hearing on the political subdivision's estimated budget and proposed tax rate and tax levy as required under subsection (a).

(c) The department of local government finance shall:
(1) prescribe a form for; and
(2) provide assistance to county auditors in preparing;
statements under subsection (b). Mailing the statement described in subsection (b) to a mortgagee maintaining an escrow account for a person who is liable for any property taxes shall not be construed as compliance with subsection (b).

(d) The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):
(1) in any county of the solid waste management district; and
(2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

(e) The trustee of each township in the county shall estimate the amount necessary to meet the cost of township assistance in the township for the ensuing calendar year. The township board shall adopt

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with the township budget a tax rate sufficient to meet the estimated cost of township assistance. The taxes collected as a result of the tax rate adopted under this subsection are credited to the township assistance fund.

(f) This subsection expires January 1, 2009. A county shall adopt with the county budget and the department of local government finance shall certify under section 16 of this chapter a tax rate sufficient to raise the levy necessary to pay the following:

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

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

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

SECTION 6. IC 6-1.1-22-8.1, AS AMENDED BY P.L.3-2008, SECTION 53, AND AS AMENDED BY P.L.146-2008, SECTION 251, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.1. (a) This section applies only to property taxes and special assessments first due and payable after December 31, 2007.

(b) The county treasurer shall:

(1) Mail to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records, or to the last known address of the most recent owner shown in the transfer book; and

(2) transmit by written, electronic, or other means to a mortgagee maintaining an escrow account for a person who is liable for any property taxes or special assessments, as shown on the tax duplicate or special assessment records;

a statement in the form required under subsection (c). *However, for property taxes first due and payable in 2008, the county treasurer may choose to use a tax statement that is different from the tax statement prescribed by the department under subsection (c). If a county chooses to use a different tax statement, the county must still transmit (with the tax bill) the statement in either color type or black-and-white type.*

(c) The department of local government finance shall prescribe a form, subject to the approval of the state board of accounts, for the statement under subsection (b) that includes at least the following:

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(1) A statement of the taxpayer's current and delinquent taxes and special assessments.
(2) A breakdown showing the total property tax and special assessment liability and the amount of the taxpayer's liability that will be distributed to each taxing unit in the county.
(3) An itemized listing for each property tax levy, including:
(A) the amount of the tax rate;
(B) the entity levying the tax owed; and
(C) the dollar amount of the tax owed.
(4) Information designed to show the manner in which the taxes and special assessments billed in the tax statement are to be used.
(5) A comparison showing any change in the assessed valuation for the property as compared to the previous year.
(6) A comparison showing any change in the property tax and special assessment liability for the property as compared to the previous year. The information required under this subdivision must identify:
(A) the amount of the taxpayer's liability distributable to each taxing unit in which the property is located in the current year and in the previous year; and
(B) the percentage change, if any, in the amount of the taxpayer's liability distributable to each taxing unit in which the property is located from the previous year to the current year.
(7) An explanation of the following:
(A) The homestead credit and all property tax deductions.
(B) The procedure and deadline for filing for the homestead credit and each deduction.
(C) The procedure that a taxpayer must follow to:
(i) appeal a current assessment; or
(ii) petition for the correction of an error related to the taxpayer's property tax and special assessment liability.
(D) The forms that must be filed for an appeal or a petition described in clause (C).
(E) Notice that an appeal described in clause (C) requires evidence relevant to the true tax value of the taxpayer's property as of the assessment date that is the basis for the taxes payable on that property.
The department of local government finance shall provide the explanation required by this subdivision to each county treasurer.
(8) A checklist that shows:
(A) the homestead credit and all property tax deductions; and

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(B) whether the homestead credit and each property tax deduction applies in the current statement for the property transmitted under subsection (b).

(d) The county treasurer may mail or transmit the statement one (1) time each year at least fifteen (15) days before the date on which the first or only installment is due. Whenever a person's tax liability for a year is due in one (1) installment under IC 6-1.1-7-7 or section 9 of this chapter, a statement that is mailed must include the date on which the installment is due and denote the amount of money to be paid for the installment. Whenever a person's tax liability is due in two (2) installments, a statement that is mailed must contain the dates on which the first and second installments are due and denote the amount of money to be paid for each installment.

(e) All payments of property taxes and special assessments shall be made to the county treasurer. The county treasurer, when authorized by the board of county commissioners, may open temporary offices for the collection of taxes in cities and towns in the county other than the county seat.

(f) The county treasurer, county auditor, and county assessor shall cooperate to generate the information to be included in the statement under subsection (c).

(g) The information to be included in the statement under subsection (c) must be simply and clearly presented and understandable to the average individual.

(h) After December 31, 2007, a reference in a law or rule to IC 6-1.1-22-8 *(expired January 1, 2008, and repealed)* shall be treated as a reference to this section.".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1094 as introduced.)

CRAWFORD, Chair

Committee Vote: yes 22, nays 0.

HOUSE MOTION

Mr. Speaker: I move that House Bill 1094 be amended to read as follows:

Page 4, delete lines 23 through 42, begin a new paragraph and insert:

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"SECTION 5. IC 6-1.1-15-1, AS AMENDED BY P.L.146-2008, SECTION 137, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) A taxpayer may obtain a review by the county board of a county or township official's action with respect to either or both of the following:

(1) The assessment of the taxpayer's tangible property.

(2) A deduction for which a review under this section is authorized by any of the following:

(A) IC 6-1.1-12-25.5.

(B) IC 6-1.1-12-28.5.

(C) IC 6-1.1-12-35.5.

(D) IC 6-1.1-12.1-5.

(E) IC 6-1.1-12.1-5.3.

(F) IC 6-1.1-12.1-5.4.

(b) At the time that notice of an action referred to in subsection (a) is given to the taxpayer, the taxpayer shall also be informed in writing of:

(1) the opportunity for a review under this section, including a preliminary informal meeting under subsection (h)(2) with the county or township official referred to in this subsection; and

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

(c) In order to obtain a review of an assessment or deduction effective for the assessment date to which the notice referred to in subsection (b) applies, the taxpayer must file a notice in writing with the county or township official referred to in subsection (a) not later than forty-five (45) days after the date of the notice referred to in subsection (b).

(d) A taxpayer may obtain a review by the county board of the assessment of the taxpayer's tangible property effective for an assessment date for which a notice of assessment is not given as described in subsection (b). To obtain the review, the taxpayer must file a notice in writing with the township assessor, or the county assessor if the township is not served by a township assessor. The right of a taxpayer to obtain a review under this subsection for an assessment date for which a notice of assessment is not given does not relieve an assessing official of the duty to provide the taxpayer with the notice of assessment as otherwise required by this article. ~~For an assessment date in a year before 2009,~~ The notice must be filed on or before May 10 of the year. ~~For an assessment date in a year after 2008, the notice must be filed not later than the later of:~~

~~(1) May 10 of the year; or~~

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~~(2) forty-five (45) days after the date of the statement mailed by the county auditor under IC 6-1.1-17-3(b).~~

(e) A change in an assessment made as a result of a notice for review filed by a taxpayer under subsection (d) after the time prescribed in subsection (d) becomes effective for the next assessment date. A change in an assessment made as a result of a notice for review filed by a taxpayer under subsection (c) or (d) remains in effect from the assessment date for which the change is made until the next assessment date for which the assessment is changed under this article.

(f) The written notice filed by a taxpayer under subsection (c) or (d) must include the following information:

(1) The name of the taxpayer.

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

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

(g) The filing of a notice under subsection (c) or (d):

(1) initiates a review under this section; and

(2) constitutes a request by the taxpayer for a preliminary informal meeting with the official referred to in subsection (a).

(h) A county or township official who receives a notice for review filed by a taxpayer under subsection (c) or (d) shall:

(1) immediately forward the notice to the county board; and

(2) attempt to hold a preliminary informal meeting with the taxpayer to resolve as many issues as possible by:

(A) discussing the specifics of the taxpayer's assessment or deduction;

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

(C) explaining to the taxpayer how the assessment or deduction was determined;

(D) providing to the taxpayer information about the statutes, rules, and guidelines that govern the determination of the assessment or deduction;

(E) noting and considering objections of the taxpayer;

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

(G) otherwise educating the taxpayer about:

(i) the taxpayer's assessment or deduction;

(ii) the assessment or deduction process; and

(iii) the assessment or deduction appeal process.

(i) Not later than ten (10) days after the informal preliminary meeting, the official referred to in subsection (a) shall forward to the county auditor and the county board the results of the conference on a form prescribed by the department of local government finance that must be completed and signed by the taxpayer and the official. The

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form must indicate the following:

(1) If the taxpayer and the official agree on the resolution of all assessment or deduction issues in the review, a statement of:

(A) those issues; and

(B) the assessed value of the tangible property or the amount of the deduction that results from the resolution of those issues in the manner agreed to by the taxpayer and the official.

(2) If the taxpayer and the official do not agree on the resolution of all assessment or deduction issues in the review:

(A) a statement of those issues; and

(B) the identification of:

(i) the issues on which the taxpayer and the official agree; and

(ii) the issues on which the taxpayer and the official disagree.

(j) If the county board receives a form referred to in subsection (i)(1) before the hearing scheduled under subsection (k):

(1) the county board shall cancel the hearing;

(2) the county official referred to in subsection (a) shall give notice to the taxpayer, the county board, the county assessor, and the county auditor of the assessment or deduction in the amount referred to in subsection (i)(1)(B); and

(3) if the matter in issue is the assessment of tangible property, the county board may reserve the right to change the assessment under IC 6-1.1-13.

(k) If:

(1) subsection (i)(2) applies; or

(2) the county board does not receive a form referred to in subsection (i) not later than one hundred twenty (120) days after the date of the notice for review filed by the taxpayer under subsection (c) or (d);

the county board shall hold a hearing on a review under this subsection not later than one hundred eighty (180) days after the date of that notice. The county board shall, by mail, give notice of the date, time, and place fixed for the hearing to the taxpayer and the county or township official with whom the taxpayer filed the notice for review. The taxpayer and the county or township official with whom the taxpayer filed the notice for review are parties to the proceeding before the county board. The county assessor is recused from any action the county board takes with respect to an assessment determination by the county assessor.

(l) At the hearing required under subsection (k):

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(1) the taxpayer may present the taxpayer's reasons for disagreement with the assessment or deduction; and

(2) the county or township official with whom the taxpayer filed the notice for review must present:

(A) the basis for the assessment or deduction decision; and

(B) the reasons the taxpayer's contentions should be denied.

(m) The official referred to in subsection (a) may not require the taxpayer to provide documentary evidence at the preliminary informal meeting under subsection (h). The county board may not require a taxpayer to file documentary evidence or summaries of statements of testimonial evidence before the hearing required under subsection (k). If the action for which a taxpayer seeks review under this section is the assessment of tangible property, the taxpayer is not required to have an appraisal of the property in order to do the following:

(1) Initiate the review.

(2) Prosecute the review.

(n) The county board shall prepare a written decision resolving all of the issues under review. The county board shall, by mail, give notice of its determination not later than one hundred twenty (120) days after the hearing under subsection (k) to the taxpayer, the official referred to in subsection (a), the county assessor, and the county auditor.

(o) If the maximum time elapses:

(1) under subsection (k) for the county board to hold a hearing; or

(2) under subsection (n) for the county board to give notice of its determination;

the taxpayer may initiate a proceeding for review before the Indiana board by taking the action required by section 3 of this chapter at any time after the maximum time elapses.

SECTION 6. IC 6-1.1-17-3, AS AMENDED BY P.L.146-2008, SECTION 147, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local government finance and approved by the state board of accounts. The political subdivision shall give notice by publication to taxpayers of:

(1) the estimated budget;

(2) the estimated maximum permissible levy;

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

(4) the amounts of excessive levy appeals to be requested.

In the notice, the political subdivision shall also state the time and place at which a public hearing will be held on these items. The notice

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shall be published twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing. Beginning in 2009, the duties required by this subsection must be completed before August 10 of the calendar year. ~~A political subdivision shall provide the estimated budget and levy information required for the notice under subsection (b) to the county auditor on the schedule determined by the department of local government finance.~~

~~(b) Beginning in 2010, before October 1 of a calendar year, the county auditor shall mail to the last known address of each person liable for any property taxes, as shown on the tax duplicate, or to the last known address of the most recent owner shown in the transfer book, a statement that includes:~~

~~(1) the assessed valuation as of the assessment date in the current calendar year of tangible property on which the person will be liable for property taxes first due and payable in the immediately succeeding calendar year and notice to the person of the opportunity to appeal the assessed valuation under IC 6-1.1-15-1(c) (before July 1, 2008) or IC 6-1.1-15-1 (after June 30, 2008);~~

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

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

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

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

~~(D) the county auditor's best estimate of the effects on the tax liability that might result from actions of:~~

~~(i) the county board of tax adjustment; or~~

~~(ii) the department of local government finance;~~

~~(3) a prominently displayed notation that:~~

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

~~(B) based on various factors, including potential actions by:~~

~~(i) the county board of tax adjustment; or~~

~~(ii) the department of local government finance;~~

~~it is possible that the tax liability as finally determined will differ substantially from the estimate;~~

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

~~(5) the date, time, and place at which the political subdivision will hold a public hearing on the political subdivision's estimated budget and proposed tax rate and tax levy as required under subsection (a).~~

~~(c) The department of local government finance shall:~~

~~(1) prescribe a form for; and~~

~~(2) provide assistance to county auditors in preparing;~~

~~statements under subsection (b). Mailing the statement described in subsection (b) to a mortgagee maintaining an escrow account for a person who is liable for any property taxes shall not be construed as compliance with subsection (b).~~

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

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

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

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

~~(f)~~ **(d)** This subsection expires January 1, 2009. A county shall adopt with the county budget and the department of local government finance shall certify under section 16 of this chapter a tax rate sufficient to raise the levy necessary to pay the following:

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

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

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

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Delete pages 5 through 6.
Page 7, delete lines 1 through 7.
Renumber all SECTIONS consecutively.

(Reference is to HB 1094 as printed February 3, 2009.)

CLEMENTS

C o p y