

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Tax and Fiscal Policy, to which was referred House Bill No. 1344, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

1 Page 3, delete lines 13 through 42, begin a new paragraph and
2 insert:
3 "SECTION 2. IC 6-1.1-12-17.8, AS AMENDED BY P.L.144-2008,
4 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2009]: Sec. 17.8. (a) An individual who receives a deduction
6 provided under section 1, 9, 11, 13, 14, 16, ~~or~~ 17.4, **or 37** of this
7 chapter in a particular year and who remains eligible for the deduction
8 in the following year is not required to file a statement to apply for the
9 deduction in the following year. **However, for purposes of a**
10 **deduction under section 37 of this chapter, the county auditor may,**
11 **in the county auditor's discretion, terminate the deduction for**
12 **assessment dates after January 15, 2012, if the individual does not**
13 **comply with the requirement in IC 6-1.1-22-8.1(b)(9), as**
14 **determined by the county auditor, before January 1, 2013. Before**
15 **the county auditor terminates the deduction because the taxpayer**
16 **claiming the deduction did not comply with the requirement in**
17 **IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor**
18 **shall mail notice of the proposed termination of the deduction to:**
19 **(1) the last known address of each person liable for any**
20 **property taxes or special assessment, as shown on the tax**
21 **duplicate or special assessment records; or**

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

3 (b) An individual who receives a deduction provided under section
 4 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who
 5 becomes ineligible for the deduction in the following year shall notify
 6 the auditor of the county in which the real property, mobile home, or
 7 manufactured home for which the individual claims the deduction is
 8 located of the individual's ineligibility in the year in which the
 9 individual becomes ineligible. **An individual who becomes ineligible**
 10 **for a deduction under section 37 of this chapter shall notify the**
 11 **county auditor of the county in which the property is located in**
 12 **conformity with section 37 of this chapter.**

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

18 (d) An individual who receives a deduction provided under section
 19 1, 9, 11, 13, 14, 16, ~~or~~ 17.4, **or 37** of this chapter for property that is
 20 jointly held with another owner in a particular year and remains eligible
 21 for the deduction in the following year is not required to file a
 22 statement to reapply for the deduction following the removal of the
 23 joint owner if:

- 24 (1) the individual is the sole owner of the property following the
 25 death of the individual's spouse;
 26 (2) the individual is the sole owner of the property following the
 27 death of a joint owner who was not the individual's spouse; or
 28 (3) the individual is awarded sole ownership of the property in a
 29 divorce decree.

30 **However, for purposes of a deduction under section 37 of this**
 31 **chapter, if the removal of the joint owner occurs before the date**
 32 **that a notice described in IC 6-1.1-22-8.1(b)(9) is sent, the county**
 33 **auditor may, in the county auditor's discretion, terminate the**
 34 **deduction for assessment dates after January 15, 2012, if the**
 35 **individual does not comply with the requirement in**
 36 **IC 6-1.1-22-8.1(b)(9), as determined by the county auditor, before**
 37 **January 1, 2013. Before the county auditor terminates the**
 38 **deduction because the taxpayer claiming the deduction did not**
 39 **comply with the requirement in IC 6-1.1-22-8.1(b)(9) before**
 40 **January 1, 2013, the county auditor shall mail notice of the**
 41 **proposed termination of the deduction to the last known address of**
 42 **each person liable for any property taxes or special assessment, as**

1 **shown on the tax duplicate or special assessment records or the last**
 2 **known address of the most recent owner shown in the transfer**
 3 **book.**

4 (e) A trust entitled to a deduction under section 9, 11, 13, 14, 16, or
 5 17.4, or 37 of this chapter for real property owned by the trust and
 6 occupied by an individual in accordance with section 17.9 of this
 7 chapter is not required to file a statement to apply for the deduction, if:

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

11 (2) the trust remains eligible for the deduction in the following
 12 year.

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

17 (f) A cooperative housing corporation (as defined in 26 U.S.C.
 18 216) that is entitled to a deduction under section 37 of this chapter
 19 in the immediately preceding calendar year for a homestead (as
 20 defined in section 37 of this chapter) is not required to file a
 21 statement to apply for the deduction for the current calendar year
 22 if the cooperative housing corporation remains eligible for the
 23 deduction for the current calendar year. However, the county
 24 auditor may, in the county auditor's discretion, terminate the
 25 deduction for assessment dates after January 15, 2012, if the
 26 individual does not comply with the requirement in
 27 IC 6-1.1-22-8.1(b)(9), as determined by the county auditor, before
 28 January 1, 2013. Before the county auditor terminates a deduction
 29 because the taxpayer claiming the deduction did not comply with
 30 the requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013,
 31 the county auditor shall mail notice of the proposed termination of
 32 the deduction to:

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

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

38 (g) An individual who:

39 (1) was eligible for a homestead credit under IC 6-1.1-20.9
 40 (repealed) for property taxes imposed for the March 1, 2007,
 41 or January 15, 2008, assessment date; or

42 (2) would have been eligible for a homestead credit under

1 **IC 6-1.1-20.9 (repealed) for property taxes imposed for the**
 2 **March 1, 2008, or January 15, 2009, assessment date if**
 3 **IC 6-1.1-20.9 had not been repealed;**
 4 **is not required to file a statement to apply for a deduction under**
 5 **section 37 of this chapter if the individual remains eligible for the**
 6 **deduction in the current year. An individual who filed for a**
 7 **homestead credit under IC 6-1.1-20.9 (repealed) for an assessment**
 8 **date after March 1, 2007 (if the property is real property), or after**
 9 **January 1, 2008 (if the property is personal property), shall be**
 10 **treated as an individual who has filed for a deduction under section**
 11 **37 of this chapter. However, the county auditor may, in the county**
 12 **auditor's discretion, terminate the deduction for assessment dates**
 13 **after January 15, 2012, if the individual does not comply with the**
 14 **requirement in IC 6-1.1-22-8.1(b)(9), as determined by the county**
 15 **auditor, before January 1, 2013. Before the county auditor**
 16 **terminates the deduction because the taxpayer claiming the**
 17 **deduction did not comply with the requirement in**
 18 **IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor**
 19 **shall mail notice of the proposed termination of the deduction to**
 20 **the last known address of each person liable for any property taxes**
 21 **or special assessment, as shown on the tax duplicate or special**
 22 **assessment records, or to the last known address of the most recent**
 23 **owner shown in the transfer book.**

24 **(h) If a county auditor terminates a deduction because the**
 25 **taxpayer claiming the deduction did not comply with the**
 26 **requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the**
 27 **county auditor shall reinstate the deduction if the taxpayer**
 28 **provides proof that the taxpayer is eligible for the deduction and**
 29 **is not claiming the deduction for any other property."**

30 Delete page 4.

31 Page 5, delete lines 1 through 21.

32 Page 6, line 3, delete "17.9(a)" and insert "**17.9**".

33 Page 6, line 5, delete "17.9(a)" and insert "**17.9**".

34 Page 7, delete lines 34 through 36, begin a new line block indented
 35 and insert:

36 **"(4) either:**

37 **(A) the last five (5) digits of the applicant's Social Security**
 38 **number and the last five (5) digits of the Social Security**
 39 **number of the applicant's spouse (if any); or**

40 **(B) if the applicant or the applicant's spouse (if any) do not**
 41 **have a Social Security number, any of the following for**
 42 **that individual:**

1 (i) The last five (5) digits of the individual's driver's
2 license number.

3 (ii) The last five (5) digits of the individual's state
4 identification card number.

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

11 Page 7, line 39, after "party " delete "," and insert "**or other number**
12 **described in subdivision (4)(B) of a party,**".

13 Page 7, line 40, after "number" insert "**or other number described**
14 **in subdivision (4)(B)**".

15 Page 7, line 40, delete "is" and insert "**are**".

16 Page 8, line 8, delete "With respect to real property owned by an
17 entity".

18 Page 8, delete lines 9 through 12.

19 Page 8, line 35, after "due." insert "**One percent (1%) of the total**
20 **civil penalty collected under this subsection shall be transferred by**
21 **the county to the department of local government finance for use**
22 **by the department in establishing and maintaining the homestead**
23 **property database under subsection (i) and, to the extent there is**
24 **money remaining, for any other purposes of the department.**".

25 Page 9, line 17, delete "last" and insert "**numbers required from**
26 **the homestead owner under subsection (e)(4)**".

27 Page 9, line 18, delete "five (5) digits of the homestead owner's
28 Social Security number".

29 Page 12, between lines 27 and 28, begin a new paragraph and insert:

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

38 (1) the estimated budget;

39 (2) the estimated maximum permissible levy;

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

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

42 In the notice, the political subdivision shall also state the time and

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

9 (b) Beginning in 2010, **except as provided in IC 6-1.1-22-8.1(h)**,
 10 before October 1 of a calendar year, the county auditor shall mail to the
 11 last known address of each person liable for any property taxes, as
 12 shown on the tax duplicate, or to the last known address of the most
 13 recent owner shown in the transfer book, a statement that includes:

14 (1) the assessed valuation as of the assessment date in the current
 15 calendar year of tangible property on which the person will be
 16 liable for property taxes first due and payable in the immediately
 17 succeeding calendar year and notice to the person of the
 18 opportunity to appeal the assessed valuation under
 19 IC 6-1.1-15-1(c) (before July 1, 2008) or IC 6-1.1-15-1 (after June
 20 30, 2008);

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

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

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

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

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

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

35 (ii) the department of local government finance;

36 (3) a prominently displayed notation that:

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

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

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

41 (ii) the department of local government finance;

42 it is possible that the tax liability as finally determined will

- 1 differ substantially from the estimate;
- 2 (4) comparative information showing the amount of property
- 3 taxes for which the person is liable to each political subdivision
- 4 on the tangible property for taxes first due and payable in the
- 5 current year; and
- 6 (5) the date, time, and place at which the political subdivision will
- 7 hold a public hearing on the political subdivision's estimated
- 8 budget and proposed tax rate and tax levy as required under
- 9 subsection (a).
- 10 (c) The department of local government finance shall:
- 11 (1) prescribe a form for; and
- 12 (2) provide assistance to county auditors in preparing;
- 13 statements under subsection (b). Mailing the statement described in
- 14 subsection (b) to a mortgagee maintaining an escrow account for a
- 15 person who is liable for any property taxes shall not be construed as
- 16 compliance with subsection (b).
- 17 (d) The board of directors of a solid waste management district
- 18 established under IC 13-21 or IC 13-9.5-2 (before its repeal) may
- 19 conduct the public hearing required under subsection (a):
- 20 (1) in any county of the solid waste management district; and
- 21 (2) in accordance with the annual notice of meetings published
- 22 under IC 13-21-5-2.
- 23 (e) The trustee of each township in the county shall estimate the
- 24 amount necessary to meet the cost of township assistance in the
- 25 township for the ensuing calendar year. The township board shall adopt
- 26 with the township budget a tax rate sufficient to meet the estimated cost
- 27 of township assistance. The taxes collected as a result of the tax rate
- 28 adopted under this subsection are credited to the township assistance
- 29 fund.
- 30 (f) This subsection expires January 1, 2009. A county shall adopt
- 31 with the county budget and the department of local government finance
- 32 shall certify under section 16 of this chapter a tax rate sufficient to raise
- 33 the levy necessary to pay the following:
- 34 (1) The cost of child services (as defined in IC 12-19-7-1) of the
- 35 county payable from the family and children's fund.
- 36 (2) The cost of children's psychiatric residential treatment
- 37 services (as defined in IC 12-19-7.5-1) of the county payable from
- 38 the children's psychiatric residential treatment services fund.
- 39 A budget, tax rate, or tax levy adopted by a county fiscal body or
- 40 approved or modified by a county board of tax adjustment that is less
- 41 than the levy necessary to pay the costs described in subdivision (1) or
- 42 (2) shall not be treated as a final budget, tax rate, or tax levy under

1 section 11 of this chapter."

2 Page 12, line 35, after "(1)" insert **"except as provided in**
3 **subsection (h),"**.

4 Page 14, line 25, delete "In 2009, 2010, or 2011, as determined by
5 the county auditor," and insert **"The statement must include in 2010,**
6 **2011, and 2012"**.

7 Page 15, line 6, after "and" insert **"either"**.

8 Page 15, line 7, after "number" delete "." and insert **"or, if an**
9 **individual does not have a Social Security number, the numbers**
10 **required from the individual under IC 6-1.1-12-37(e)(4)(B)."**

11 Page 15, line 18, delete "2012." and insert **"2015."**

12 Page 16, between lines 6 and 7, begin a new paragraph and insert:

13 **"(h) Transmission of statements and other information under**
14 **this subsection applies in a county only if the county legislative**
15 **body adopts an authorizing ordinance. Subject to subsection (i), in**
16 **a county in which an ordinance is adopted under this subsection for**
17 **property taxes and special assessments first due and payable after**
18 **2009, a person may direct the county treasurer and county auditor**
19 **to transmit the following to the person by electronic mail:**

20 (1) **A statement that would otherwise be sent by the county**
21 **treasurer to the person by regular mail under subsection**
22 **(a)(1), including a statement that reflects installment payment**
23 **due dates under section 9.5 or 9.7 of this chapter.**

24 (2) **A provisional tax statement that would otherwise be sent**
25 **by the county treasurer to the person by regular mail under**
26 **IC 6-1.1-22.5-6.**

27 (3) **A reconciling tax statement that would otherwise be sent**
28 **by the county treasurer to the person by regular mail under**
29 **any of the following:**

30 (A) **Section 9 of this chapter.**

31 (B) **Section 9.7 of this chapter.**

32 (C) **IC 6-1.1-22.5-12, including a statement that reflects**
33 **installment payment due dates under IC 6-1.1-22.5-18.5.**

34 (4) **A statement that would otherwise be sent by the county**
35 **auditor to the person by regular mail under IC 6-1.1-17-3(b).**

36 (5) **Any other information that:**

37 (A) **concerns the property taxes or special assessments;**
38 **and**

39 (B) **would otherwise be sent:**

40 (i) **by the county treasurer or the county auditor to the**
41 **person by regular mail; and**

42 (ii) **before the last date the property taxes or special**

- 1 assessments may be paid without becoming delinquent.
- 2 (i) For property with respect to which more than one (1) person
- 3 is liable for property taxes and special assessments, subsection (h)
- 4 applies only if all the persons liable for property taxes and special
- 5 assessments designate the electronic mail address for only one (1)
- 6 individual authorized to receive the statements and other
- 7 information referred to in subsection (h).
- 8 (j) Before 2010, the department of local government finance
- 9 shall create a form to be used to implement subsection (h). The
- 10 county treasurer and county auditor shall:
- 11 (1) make the form created under this subsection available to
- 12 the public;
- 13 (2) transmit a statement or other information by electronic
- 14 mail under subsection (h) to a person who, at least thirty (30)
- 15 days before the anticipated general mailing date of the
- 16 statement or other information, files the form created under
- 17 this subsection:
- 18 (A) with the county treasurer; or
- 19 (B) with the county auditor; and
- 20 (3) publicize the availability of the electronic mail option
- 21 under this subsection through appropriate media in a manner
- 22 reasonably designed to reach members of the public.
- 23 (k) The form referred to in subsection (j) must:
- 24 (1) explain that a form filed as described in subsection (j)(2)
- 25 remains in effect until the person files a replacement form to:
- 26 (A) change the person's electronic mail address; or
- 27 (B) terminate the electronic mail option under subsection
- 28 (h); and
- 29 (2) allow a person to do at least the following with respect to
- 30 the electronic mail option under subsection (h):
- 31 (A) Exercise the option.
- 32 (B) Change the person's electronic mail address.
- 33 (C) Terminate the option.
- 34 (D) For a person other than an individual, designate the
- 35 electronic mail address for only one (1) individual
- 36 authorized to receive the statements and other information
- 37 referred to in subsection (h).
- 38 (E) For property with respect to which more than one (1)
- 39 person is liable for property taxes and special assessments,
- 40 designate the electronic mail address for only one (1)
- 41 individual authorized to receive the statements and other
- 42 information referred to in subsection (h).

1 **(l) The form created under subsection (j) is considered filed with**
 2 **the county treasurer or the county auditor on the postmark date.**
 3 **If the postmark is missing or illegible, the postmark is considered**
 4 **to be one (1) day before the date of receipt of the form by the**
 5 **county treasurer or the county auditor.**

6 **(m) The county treasurer shall maintain a record that shows at**
 7 **least the following:**

8 **(1) Each person to whom a statement or other information is**
 9 **transmitted by electronic mail under this section.**

10 **(2) The information included in the statement.**

11 **(3) Whether the person received the statement."**

12 Page 17, between lines 28 and 29, begin a new paragraph and insert:

13 **"(h) This subsection applies only if a statement for payment of**
 14 **property taxes and special assessments by electronic mail is**
 15 **transmitted to a person under section 8.1(h) of this chapter. If a**
 16 **response to the transmission of electronic mail to a person indicates**
 17 **that the electronic mail was not received, the county treasurer shall**
 18 **mail to the person a hard copy of the statement in the manner**
 19 **required by section 8.1(a) of this chapter for persons who do not**
 20 **opt to receive statements by electronic mail. The due date for the**
 21 **property taxes and special assessments under a statement mailed**
 22 **to a person under this subsection is the due date indicated in the**
 23 **statement transmitted to the person by electronic mail.**

24 **(i) In a county in which an authorizing ordinance is adopted**
 25 **under section 8.1(h) of this chapter, a person may direct the county**
 26 **treasurer to transmit a reconciling statement under subsection**
 27 **(d)(1) by electronic mail under section 8.1(h) of this chapter.**

28 SECTION 9. IC 6-1.1-22-9.7, AS ADDED BY P.L.118-2008,
 29 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2009]: Sec. 9.7. (a) As used in this section, "current year"
 31 refers to the calendar year in which property taxes are first due and
 32 payable and are subject to payment under this section:

33 (1) by automatic deduction from ~~a checking an~~ **an account of the**
 34 **taxpayer that is held by a financial institution; or**

35 (2) under a monthly installment plan.

36 (b) As used in this section, "monthly installment plan" means a plan
 37 that:

38 (1) is adopted under this section;

39 (2) provides for the monthly payment of tax liability; and

40 (3) does not involve an automatic deduction from ~~a checking an~~ **an**
 41 **account of the taxpayer that is held by a financial institution.**

42 (c) As used in this section, "preceding year" refers to the calendar

1 year that immediately precedes the current year.

2 (d) As used in this section, "tax liability" includes liability for
3 special assessments and refers to liability for property taxes after the
4 application of all allowed deductions and credits.

5 (e) After June 30, 2009, the county fiscal body (as defined in
6 IC 36-1-2-6) may at any time adopt an ordinance to allow all county
7 taxpayers to pay one (1) or more installments of property taxes by any
8 combination of the following:

9 (1) Automatic monthly deductions from ~~a checking an~~ account of
10 **the taxpayer that is held by a financial institution.**

11 (2) Payments under a monthly installment plan.

12 (f) An ordinance adopted under subsection (e):

13 (1) may apply to more than one (1) calendar year; and

14 (2) must include at least the following:

15 (A) Identification of the property tax installment or
16 installments for which payment:

17 (i) by automatic deduction from ~~a checking an~~ account of
18 **the taxpayer that is held by a financial institution;** or

19 (ii) under a monthly installment plan;

20 is authorized.

21 (B) Provisions for notice to county taxpayers of the option to
22 pay one (1) or more property tax installments:

23 (i) by automatic deduction from ~~a checking an~~ account of
24 **the taxpayer that is held by a financial institution;** or

25 (ii) under a monthly installment plan.

26 (C) Authority for the county treasurer to make available to
27 county taxpayers a form to be completed by a taxpayer and
28 submitted to the county treasurer to:

29 (i) direct the county treasurer to accept payment of the
30 taxpayer's property taxes by automatic deduction from ~~a~~
31 **checking an** account of **the taxpayer that is held by a**
32 **financial institution;** and

33 (ii) authorize the **financial** institution that holds the
34 taxpayer's ~~checking~~ account to deduct monthly the
35 appropriate amount from the account and to pay that amount
36 to the county treasurer.

37 However, this clause applies only if the county fiscal body has
38 adopted an ordinance under this section to allow taxpayers to
39 pay property taxes by automatic deductions from ~~a checking~~
40 **an account of the taxpayer that is held by a financial**
41 **institution.**

42 (D) Authority for the county treasurer to accept payment of the

1 taxpayer's property taxes under a monthly installment plan.
 2 However, this clause applies only if the county fiscal body has
 3 adopted an ordinance under this section to allow taxpayers to
 4 pay property taxes by monthly installment payments under a
 5 monthly installment plan.

6 An ordinance adopted under subsection (e) may include a provision
 7 authorizing taxpayers to make monthly deductions or monthly
 8 installment payments in an amount determined by the taxpayer that is
 9 different from the amount otherwise determined by the county treasurer
 10 under subsection (h), (i), (j), or (k).

11 (g) If an ordinance is adopted under subsection (e) to allow
 12 taxpayers to pay property taxes by automatic deductions from a
 13 ~~checking~~ **an account of the taxpayer that is held by a financial**
 14 **institution**, the county treasurer shall provide to each county taxpayer
 15 that submits to the county treasurer the form referred to in subsection
 16 (f)(2)(C) a statement that includes at least the following:

- 17 (1) The amount to be deducted monthly from the taxpayer's
 18 ~~checking~~ account.
- 19 (2) Identification of the day each month, as chosen by the
 20 taxpayer, when the deduction will be made.
- 21 (3) A calculation of the amount to be deducted.
- 22 (4) An explanation of the manner in which property taxes for the
 23 current year will be reconciled under subsection (n) and notice
 24 that any property tax payments for the current year made by the
 25 taxpayer by means other than automatic deduction from the
 26 taxpayer's ~~checking~~ account will be taken into account in the
 27 reconciliation.
- 28 (5) An explanation of the penalties that apply if there are
 29 insufficient funds in the taxpayer's ~~checking~~ account to cover one
 30 (1) or more automatic deductions.

31 (h) This subsection applies only if the county treasurer determines
 32 that at the time the calculation under subsection (g)(3) is made the
 33 amount of tax liability for the current year has not been determined.
 34 Subject to subsections (i) and (j), the county treasurer shall do the
 35 following:

- 36 (1) Determine the following:
 - 37 (A) For a parcel of real property, the most recently determined
 38 amount of tax liability that applied to the parcel for the
 39 preceding year.
 - 40 (B) For a personal property return, the most recently
 41 determined amount of tax liability that applied for the personal
 42 property return for the same location for the preceding year.

1 (C) For distributable property, the most recently determined
 2 amount of tax liability that applied with respect to the
 3 statement filed by the taxpayer under IC 6-1.1-8-19 for the
 4 preceding year.

5 (D) For a mobile home subject to IC 6-1.1-7, the most recently
 6 determined amount of tax liability that applied to the mobile
 7 home for the preceding year.

8 (2) Determine the amount of the monthly deduction from the
 9 ~~taxpayer's checking~~ **account of the taxpayer that is held by a**
 10 **financial institution** or the amount due under a monthly
 11 installment plan in the amount determined in the last STEP of the
 12 following STEPS:

13 STEP ONE: Determine under subdivision (1) the amount of
 14 tax liability that applied for the preceding year.

15 STEP TWO: Determine the quotient of:

16 (i) the number of property tax installments for the current
 17 year identified in the ordinance under subsection (f)(2)(A);
 18 divided by

19 (ii) the total number of property tax installments for the
 20 current year.

21 STEP THREE: Multiply the STEP ONE result by the STEP
 22 TWO result.

23 STEP FOUR: Determine the quotient of:

24 (i) the STEP THREE result; divided by

25 (ii) the number of monthly deductions or, in the case of
 26 payments under a monthly installment plan, the number of
 27 monthly installments.

28 (i) The county treasurer may determine the monthly deduction or the
 29 amount of the monthly installment due under a monthly installment
 30 plan in an amount different from the amount determined under
 31 subsection (h) if the county treasurer determines that changes in
 32 circumstances have caused the amount determined under subsection
 33 (h) to differ substantially from the tax liability likely to be determined
 34 for the current year.

35 (j) This subsection applies only if before an ordinance is adopted
 36 under subsection (e) the county treasurer determines to use provisional
 37 property tax statements under IC 6-1.1-22.5 for the current year. For
 38 purposes of determining the amount of the monthly deduction from the
 39 ~~taxpayer's checking~~ **account of the taxpayer that is held by a**
 40 **financial institution** or the amount of the taxpayer's monthly
 41 installment payment under a monthly installment plan, the county
 42 treasurer shall substitute for the tax liability that applied to the parcel

1 for the preceding year under subsection (h) the tax liability to be
2 indicated on the provisional statement.

3 (k) This subsection applies only if the county treasurer determines
4 that at the time the calculation under subsection (g)(3) is made the
5 amount of tax liability for the current year has been determined. The
6 amount of the monthly deduction from the ~~taxpayer's checking~~ account
7 **of the taxpayer that is held by a financial institution** or the amount
8 of the taxpayer's monthly installment payment under a monthly
9 installment plan is the amount of the tax liability for the current year
10 payable in the installment or installments identified in the ordinance
11 under subsection (f)(2)(A) divided by the number of monthly
12 deductions.

13 (l) Tax liability paid under this section by automatic deduction from
14 ~~a checking an~~ account **of the taxpayer that is held by a financial**
15 **institution** is not finally discharged and the person has not paid the tax
16 until the taxpayer's ~~checking~~ account is charged for the payment.

17 (m) Penalties apply under IC 6-1.1-37-10 as specified in this section
18 to taxes payable by automatic deduction from ~~a checking an~~ account
19 **of the taxpayer that is held by a financial institution** or by monthly
20 installment payments under a monthly installment plan under this
21 section.

22 (n) After the last monthly ~~checking account~~ deduction **from an**
23 **account of a taxpayer that is held by a financial institution** or last
24 monthly installment payment under a monthly installment plan under
25 this section for the current year has been made and after the amount of
26 tax liability for the current year has been determined, the county
27 treasurer shall issue a reconciling statement to the taxpayer. Each
28 reconciling statement must indicate at least the following:

- 29 (1) The sum of:
- 30 (A) the taxpayer's actual tax liability for the current year; plus
 - 31 (B) any penalty that applies for the current year.
- 32 (2) The total amount paid for the current year by automatic
33 deductions, monthly installment payments under a monthly
34 installment plan, and by means other than automatic deductions
35 or monthly installment payments.
- 36 (3) If the amount under subdivision (1) exceeds the amount under
37 subdivision (2), the deficiency is payable by the taxpayer:
- 38 (A) as a final reconciliation of the tax liability; and
 - 39 (B) not later than thirty (30) days after the date of the
40 reconciling statement.
- 41 (4) If the amount under subdivision (2) exceeds the amount under
42 subdivision (1), that the county treasurer will apply the excess as

1 a credit against the taxpayer's tax liability for the immediately
 2 succeeding calendar year unless the taxpayer makes a claim for
 3 refund of the excess under IC 6-1.1-26.

4 (o) The county ~~auditor~~ **treasurer** shall ~~distribute~~ **deposit the** tax
 5 collections under this section **under IC 5-13-6-3(a). The collections**
 6 **must remain in the funds in which they are deposited until the**
 7 **county auditor makes the distributions** to the appropriate taxing
 8 units at the semiannual settlements under IC 6-1.1-27. However, this
 9 subsection does not prohibit a county treasurer from making an
 10 advance to a political subdivision under IC 5-13-6-3 of a portion of the
 11 taxes collected.

12 (p) IC 6-1.1-15:

13 (1) does not apply to a statement provided under subsection (g);
 14 and

15 (2) applies to a reconciling statement issued under subsection (n).

16 (q) The following apply to a taxpayer that makes automatic monthly
 17 deductions or monthly installments under this section:

18 (1) If a taxpayer makes automatic monthly deductions or monthly
 19 installments of property taxes in the amount determined by the
 20 county treasurer under subsection (h), (i), (j), or (k), the taxpayer's
 21 property tax payments shall not be considered delinquent for
 22 purposes of IC 6-1.1-37-10 and the taxpayer is not subject to
 23 penalties under that section.

24 (2) If: ~~a taxpayer:~~

25 (A) ~~a taxpayer~~ **a taxpayer** makes automatic monthly deductions or
 26 monthly installments of property taxes in an amount that is
 27 less than the amount determined by the county treasurer under
 28 subsection (h), (i), (j), or (k); and

29 (B) the total amount of property taxes paid by the taxpayer
 30 under automatic monthly deductions, monthly installments, or
 31 any other method by the May or November due date is less
 32 than the amount determined by the county treasurer under
 33 subsection (h), (i), (j), or (k) that should have been paid by the
 34 taxpayer for the May or November due date;

35 the penalty provisions of IC 6-1.1-37-10 apply to the delinquent
 36 property taxes.

37 (r) IC 6-1.1-37-10 applies to any amounts due under a reconciling
 38 statement issued under subsection (n) that are not paid within thirty
 39 (30) days after the date of the reconciling statement, as required under
 40 subsection (n)(3).

41 (s) For purposes of IC 6-1.1-24-1(a)(1):

42 (1) property taxes to be paid by automatic deduction or by

1 monthly installments under a monthly installment plan under this
 2 section before June of the current year are considered to be the
 3 taxpayer's spring installment of property taxes; and

4 (2) payment on a reconciling statement issued under subsection
 5 (n) is considered to be due before the due date of the first
 6 installment of property taxes payable in the year immediately
 7 following the current year.

8 SECTION 10. IC 6-1.1-22.5-6, AS AMENDED BY P.L.118-2008,
 9 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2009]: Sec. 6. (a) Except as provided in subsection (c), with
 11 respect to property taxes payable under this article on assessments
 12 determined for the 2003 assessment date or the assessment date in any
 13 later year, the county treasurer may, except as provided by section 7 of
 14 this chapter, use a provisional statement under this chapter if the
 15 county auditor fails to deliver the abstract for that assessment date to
 16 the county treasurer under IC 6-1.1-22-5 before March 16 of the year
 17 following the assessment date.

18 (b) The county treasurer shall give notice of the provisional
 19 statement, including disclosure of the method that is to be used in
 20 determining the tax liability to be indicated on the provisional
 21 statement, by publication one (1) time:

22 (1) in the form prescribed by the department of local government
 23 finance; and

24 (2) in the manner described in IC 6-1.1-22-4(b).

25 The notice may be combined with the notice required under section 10
 26 of this chapter.

27 (c) Subsection (a) does not apply if the county auditor fails to
 28 deliver the abstract as provided in IC 6-1.1-22-5(b).

29 (d) This subsection applies after June 30, 2009. Immediately upon
 30 determining to use provisional statements under subsection (a), the
 31 county treasurer shall give notice of the determination to the county
 32 fiscal body (as defined in IC 36-1-2-6).

33 **(e) In a county in which an authorizing ordinance is adopted**
 34 **under IC 6-1.1-22-8.1(h), a person may direct the county treasurer**
 35 **to transmit a provisional statement by electronic mail under**
 36 **IC 6-1.1-22-8.1(h)".**

37 Page 19, delete lines 11 through 17, begin a new paragraph and
 38 insert:

39 **"(b) This subsection applies to property taxes first due and**
 40 **payable for assessment dates after January 15, 2009. The county**
 41 **may apply a standard deduction, supplemental standard deduction,**
 42 **or homestead credit calculated by the county's property system on**

1 **a provisional bill for a qualified property. If a provisional bill has**
 2 **been used for property tax billings for two (2) consecutive years**
 3 **and a property qualifies for a standard deduction, supplemental**
 4 **standard deduction, or homestead credit for the second year a**
 5 **provisional bill is used, the county shall apply the standard**
 6 **deduction, supplemental standard deduction, or homestead credit**
 7 **calculated by the county's property system on the provisional bill.**

8 SECTION 12. IC 6-1.1-22.5-9, AS AMENDED BY P.L.219-2007,
 9 SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2009]: Sec. 9. (a) Except as provided in ~~subsection~~
 11 **subsections (b) ~~subsection~~ and (c)** and section 12 of this chapter,
 12 property taxes billed on a provisional statement are due in two (2)
 13 equal installments on May 10 and November 10 of the year following
 14 the assessment date covered by the provisional statement.

15 (b) If in a county the notices of general reassessment under
 16 IC 6-1.1-4-4 or notices of assessment under IC 6-1.1-4-4.5 for an
 17 assessment date in a calendar year are given to the taxpayers in the
 18 county after March 26 of the immediately succeeding calendar year, the
 19 property taxes that would otherwise be due under subsection (a) on
 20 May 10 of the immediately succeeding calendar year are due on the
 21 later of:

- 22 (1) May 10 of the immediately succeeding calendar year; or
- 23 (2) forty-five (45) days after the mailing or transmittal of
- 24 provisional statements.

25 (c) If subsection (b) applies, the property taxes that would otherwise
 26 be due under subsection (a) on November 10 of the immediately
 27 succeeding calendar year referred to in subsection (b) are due on the
 28 later of:

- 29 (1) November 10 of the immediately succeeding calendar year; or
- 30 (2) a date determined by the county treasurer that is not later than
- 31 December 31 of the immediately succeeding calendar year.

32 **(d) This subsection applies only if a provisional statement for**
 33 **payment of property taxes and special assessments by electronic**
 34 **mail is transmitted to a person under IC 6-1.1-22-8.1(h). If a**
 35 **response to the transmission of electronic mail to a person indicates**
 36 **that the electronic mail was not received, the county treasurer shall**
 37 **mail to the person a hard copy of the provisional statement in the**
 38 **manner required by this chapter for persons who do not opt to**
 39 **receive statements by electronic mail. The due date for the**
 40 **property taxes and special assessments under a provisional**
 41 **statement mailed to a person under this subsection is the due date**
 42 **indicated in the statement transmitted to the person by electronic**

1 **mail.**

2 Page 20, line 37, delete "2012." and insert "**2013.**".

3 Page 20, between lines 37 and 38, begin a new paragraph and insert:

4 **"(e) In a county in which an authorizing ordinance is adopted**
5 **under IC 6-1.1-22-8.1(h), a person may direct the county treasurer**
6 **to transmit a reconciling statement by electronic mail under**
7 **IC 6-1.1-22-8.1(h)."**

8 Page 21, line 11, after "collection" delete "," and insert "**of the**
9 **adjustment in tax due (and any interest and penalties on that**
10 **amount) after the termination of a deduction or credit as specified**
11 **in subsection (b),"**

12 Page 21, line 11, after "deposit" delete "the" and insert "**that**".

13 Page 21, line 12, delete "specified in the notice under subsection
14 (b),".

15 Page 21, line 13, after "date" delete ",".

16 Page 21, line 15, after "taxes." insert "**The adjustment in tax due**
17 **(and any interest and penalties on that amount) after the**
18 **termination of a deduction or credit as specified in subsection (b)**
19 **shall be deposited in the nonreverting fund only in the first year in**
20 **which that amount is collected."**

21 Page 21, line 18, delete "is" and insert "**satisfies**".

22 Page 21, line 32, after "section" delete ", without" and insert "**upon**
23 **appropriation by the county fiscal body and shall be made"**.

24 Page 21, line 33, delete "appropriation,".

25 Page 22, delete lines 30 through 42, begin a new paragraph and
26 insert:

27 **"SECTION 16. [EFFECTIVE JULY 1, 2009] (a) The commission**
28 **on state tax and financing policy established under IC 2-5-3 shall**
29 **in 2011 study issues related to the notice provided under**
30 **IC 6-1.1-22-8.1(b)(9), as added by this act, and the termination of**
31 **deductions under that provision.**

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

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

- 1 Delete pages 23 through 24.
- 2 Page 25, delete lines 1 through 6.
- 3 Renumber all SECTIONS consecutively.
(Reference is to HB 1344 as reprinted February 24, 2009.)

and when so amended that said bill do pass .

Committee Vote: Yeas 11, Nays 0.

Senator Hershman, Chairperson