



January 29, 2010

HOUSE BILL No. 1324

DIGEST OF HB 1324 (Updated January 26, 2010 12:58 pm - DI 75)

Citations Affected: IC 6-1.1.

Synopsis: Disposal of vacant lots in tax sale process. Permits a county to sell a vacant parcel acquired by the county in a tax sale to the owner of a contiguous residential parcel for \$1. Allows the county executive to establish criteria to identify vacant parcels eligible for sale. Establishes procedures for conduct of the sale, transfer of the vacant parcel, and consolidation of the vacant parcel with the contiguous parcel. Provides that the consolidated parcel is, until the next transfer of title after the consolidation, entitled to an exemption from property taxation in the amount of the assessed value of the vacant parcel at the time of consolidation.

Effective: July 1, 2010.

GiaQuinta, Sullivan

January 13, 2010, read first time and referred to Committee on Local Government.
January 28, 2010, reported — Do Pass.

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January 29, 2010

Second Regular Session 116th General Assembly (2010)

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 2009 Regular and Special Sessions of the General Assembly.

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HOUSE BILL No. 1324



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

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

1 SECTION 1. IC 6-1.1-10-38, AS AMENDED BY P.L.2-2008,
2 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2010]: Sec. 38. This chapter does not contain all of the
4 property tax exemption provisions. The property taxation exemption
5 provisions include, but are not limited to, the following sections:

- | | | |
|----|---------------------------|---------------------------|
| 6 | IC 4-20.5-14-3 | IC 20-14-7-3 |
| 7 | IC 4-20.5-19 | IC 20-14-9-15 |
| 8 | IC 5-1-4-26 | IC 20-14-10-14 |
| 9 | IC 6-1.1-10-5 | IC 20-47-2-21 |
| 10 | IC 6-1.1-24-6.8(k) | IC 20-47-3-15 |
| 11 | IC 8-10-1-27 | IC 23-7-7-3 |
| 12 | IC 8-23-7-31 | IC 23-14-70-23 |
| 13 | IC 8-15-2-12 | IC 36-1-10-18 |
| 14 | IC 8-21-9-31 | IC 36-7-14-37 |
| 15 | IC 10-18-2-22 | IC 36-7-15.1-25 |
| 16 | IC 10-18-1-36 | IC 36-7-18-25 |
| 17 | IC 10-18-3-12 | IC 36-9-4-52 |

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- 1 IC 10-18-4-21 IC 36-9-11-10
- 2 IC 10-18-7-9 IC 36-9-11.1-11
- 3 IC 14-33-20-27 IC 36-9-13-36
- 4 IC 15-13-4-4 IC 36-9-13-37
- 5 IC 16-22-6-34 IC 36-9-30-31
- 6 IC 21-34-8-3 IC 36-10-8-18
- 7 IC 21-35-2-19 IC 36-10-9-18
- 8 IC 21-35-3-20

9 SECTION 2. IC 6-1.1-24-6.8 IS ADDED TO THE INDIANA
 10 CODE AS A NEW SECTION TO READ AS FOLLOWS
 11 [EFFECTIVE JULY 1, 2010]: **Sec. 6.8. (a) As used in this section,**
 12 **"vacant parcel" refers to a parcel:**

- 13 (1) on which the county executive acquires a lien under section
- 14 6(a) of this chapter;
- 15 (2) that is unimproved on the date the parcel is offered for
- 16 sale under this chapter;
- 17 (3) on which the construction of a structure intended for
- 18 residential use is permitted by law; and
- 19 (4) that on the date the parcel is offered for sale under this
- 20 chapter is contiguous to one (1) or more parcels on which one
- 21 (1) or more of the following are located:
 - 22 (A) A structure occupied for residential use.
 - 23 (B) A structure used in conjunction with a structure
 - 24 occupied for residential use.
- 25 (b) The county executive may, by ordinance, establish criteria
- 26 for the identification of vacant parcels to be offered for sale under
- 27 this section. The criteria may include the following:
 - 28 (1) Limitations on the use of the parcel under local zoning and
 - 29 land use requirements.
 - 30 (2) Minimum parcel area sufficient for construction of
 - 31 improvements.
 - 32 (3) Any other factor considered appropriate by the county
 - 33 executive.
- 34 (c) If the county executive adopts an ordinance under subsection
- 35 (b), the county executive shall for each tax sale:
 - 36 (1) by resolution, identify each vacant parcel that the county
 - 37 executive desires to sell under this section; and
 - 38 (2) subject to subsection (d), give written notice to the owner
 - 39 of record of each parcel referred to in subsection (a)(4) that
 - 40 is contiguous to the vacant parcel.
- 41 (d) The notice under subsection (c)(2) with respect to each
- 42 vacant parcel must include at least the following:

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- 1 **(1) A description of the vacant parcel by:**
- 2 **(A) legal description; and**
- 3 **(B) parcel number or street address, or both.**
- 4 **(2) Notice that the county executive will accept written**
- 5 **applications from owners of parcels contiguous to the vacant**
- 6 **parcel as provided in subsection (e).**
- 7 **(3) Notice of the deadline for applications referred to in**
- 8 **subdivision (2) and of the information to be included in the**
- 9 **applications.**
- 10 **(4) Notice that the vacant parcel will be sold to the successful**
- 11 **applicant for one dollar (\$1).**
- 12 **(5) Notice of the exemption provisions of subsection (k).**
- 13 **(e) To be eligible to purchase a vacant parcel under this section,**
- 14 **the owner of a contiguous parcel referred to in subsection (a)(4)**
- 15 **must file a written application with the county executive. The**
- 16 **application must:**
- 17 **(1) identify the vacant parcel that the applicant desires to**
- 18 **purchase; and**
- 19 **(2) include any other information required by the county**
- 20 **executive.**
- 21 **(f) If more than one (1) application to purchase a single vacant**
- 22 **parcel is filed with the county executive, the county executive shall**
- 23 **conduct a drawing between or among the applicants in which each**
- 24 **applicant has an equal chance to be selected as the transferee of the**
- 25 **vacant parcel.**
- 26 **(g) The county executive shall by resolution make a final**
- 27 **determination concerning the vacant parcels that are to be sold**
- 28 **under this section.**
- 29 **(h) After the final determination of vacant parcels to be sold**
- 30 **under subsection (g), the county executive shall:**
- 31 **(1) on behalf of the county, cause all delinquent taxes, special**
- 32 **assessments, penalties, interest, and costs of sale with respect**
- 33 **to the vacant parcels to be removed from the tax duplicate;**
- 34 **(2) give notice of the final determination to:**
- 35 **(A) the successful applicant;**
- 36 **(B) the county auditor; and**
- 37 **(C) the township assessor, or the county assessor if there is**
- 38 **no township assessor for the township.**
- 39 **(i) Upon receipt of notice under subsection (h)(2):**
- 40 **(1) the county auditor shall:**
- 41 **(A) collect the purchase price from each successful**
- 42 **applicant; and**

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1 **(B) subject to subsection (j), prepare a deed transferring**
2 **each vacant parcel to the successful applicant; and**
3 **(2) the township assessor or county assessor shall consolidate**
4 **each vacant parcel sold and the contiguous parcel owned by**
5 **the successful applicant into a single parcel.**
6 **(j) The county auditor shall include in the deed prepared under**
7 **subsection (i)(1)(B) reference to the exemption under subsection**
8 **(k).**
9 **(k) Except as provided in subsection (l), each consolidated**
10 **parcel referred to in subsection (i)(2) is entitled to an exemption**
11 **from property taxation beginning on the assessment date that next**
12 **succeeds the consolidation in the amount of the assessed value at**
13 **the time of consolidation of the vacant parcel that was subject to**
14 **the consolidation.**
15 **(l) The exemption under subsection (k) is terminated as of the**
16 **assessment date that next succeeds the first transfer of title to the**
17 **consolidated parcel that occurs after the consolidation.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1324, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

SMITH V, Chair

Committee Vote: yeas 11, nays 0.

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