



Reprinted
February 2, 2010

HOUSE BILL No. 1324

DIGEST OF HB 1324 (Updated February 1, 2010 5:15 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 if the contiguous parcel is entitled to the standard property tax deduction. Allows the county 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 entitled to an exemption from property taxation in the amount of the assessed value of the vacant parcel at the time of consolidation until the earlier of the following: (1) the next transfer of title after the consolidation; or (2) five years after the transfer of the title to the successful applicant.

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.
February 1, 2010, read second time, amended, ordered engrossed.

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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) For purposes of this**
12 **section, in a county containing a consolidated city "county**
13 **executive" refers to the board of commissioners of the county as**
14 **provided in IC 36-3-3-10.**

15 **(b) As used in this section, "vacant parcel" refers to a parcel**
16 **that satisfies all the following:**

17 **(1) A lien has been acquired on the parcel under section 6(a)**
18 **of this chapter.**

19 **(2) The parcel is unimproved on the date the parcel is offered**
20 **for sale under this chapter.**

21 **(3) The construction of a structure intended for residential use**
22 **on the parcel is permitted by law.**

23 **(4) On the date the parcel is offered for sale under this**
24 **chapter, the parcel is contiguous to one (1) or more parcels**
25 **that satisfy the following:**

26 **(A) One (1) or more of the following are located on the**
27 **contiguous parcel:**

28 **(i) A structure occupied for residential use.**

29 **(ii) A structure used in conjunction with a structure**
30 **occupied for residential use.**

31 **(B) The contiguous parcel is eligible for the standard**
32 **deduction under IC 6-1.1-12-37.**

33 **(c) The county legislative body may, by ordinance, establish**
34 **criteria for the identification of vacant parcels to be offered for**
35 **sale under this section. The criteria may include the following:**

36 **(1) Limitations on the use of the parcel under local zoning and**
37 **land use requirements.**

38 **(2) Minimum parcel area sufficient for construction of**
39 **improvements.**

40 **(3) Any other factor considered appropriate by the county**
41 **legislative body.**

42 **In a county containing a consolidated city, the county legislative**

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1 body may adopt an ordinance under this subsection only upon
2 recommendation by the board of commissioners provided in
3 IC 36-3-3-10.

4 (d) If the county legislative body adopts an ordinance under
5 subsection (c), the county executive shall for each tax sale:

6 (1) by resolution, identify each vacant parcel that the county
7 executive desires to sell under this section; and

8 (2) subject to subsection (e), give written notice to the owner
9 of record of each parcel referred to in subsection (b)(4) that
10 is contiguous to the vacant parcel.

11 (e) The notice under subsection (d)(2) with respect to each
12 vacant parcel must include at least the following:

13 (1) A description of the vacant parcel by:

14 (A) legal description; and

15 (B) parcel number or street address, or both.

16 (2) Notice that the county executive will accept written
17 applications from owners of parcels described in subsection
18 (b)(4) as provided in subsection (f).

19 (3) Notice of the deadline for applications referred to in
20 subdivision (2) and of the information to be included in the
21 applications.

22 (4) Notice that the vacant parcel will be sold to the successful
23 applicant for one dollar (\$1).

24 (5) Notice of the exemption provisions of subsection (l).

25 (f) To be eligible to purchase a vacant parcel under this section,
26 the owner of a contiguous parcel referred to in subsection (b)(4)
27 must file a written application with the county executive. The
28 application must:

29 (1) identify the vacant parcel that the applicant desires to
30 purchase; and

31 (2) include any other information required by the county
32 executive.

33 (g) If more than one (1) application to purchase a single vacant
34 parcel is filed with the county executive, the county executive shall
35 conduct a drawing between or among the applicants in which each
36 applicant has an equal chance to be selected as the transferee of the
37 vacant parcel.

38 (h) The county executive shall by resolution make a final
39 determination concerning the vacant parcels that are to be sold
40 under this section.

41 (i) After the final determination of vacant parcels to be sold
42 under subsection (h), the county executive shall:

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- 1 (1) on behalf of the county, cause all delinquent taxes, special
- 2 assessments, penalties, interest, and costs of sale with respect
- 3 to the vacant parcels to be removed from the tax duplicate;
- 4 (2) give notice of the final determination to:
- 5 (A) the successful applicant;
- 6 (B) the county auditor; and
- 7 (C) the township assessor, or the county assessor if there is
- 8 no township assessor for the township.
- 9 (j) Upon receipt of notice under subsection (i)(2):
- 10 (1) the county auditor shall:
- 11 (A) collect the purchase price from each successful
- 12 applicant; and
- 13 (B) subject to subsection (k), prepare a deed transferring
- 14 each vacant parcel to the successful applicant; and
- 15 (2) the township assessor or county assessor shall consolidate
- 16 each vacant parcel sold and the contiguous parcel owned by
- 17 the successful applicant into a single parcel.
- 18 (k) The county auditor shall include in the deed prepared under
- 19 subsection (j)(1)(B) reference to the exemption under subsection (l).
- 20 (l) Except as provided in subsection (m), each consolidated
- 21 parcel referred to in subsection (j)(2) is entitled to an exemption
- 22 from property taxation beginning on the assessment date that next
- 23 succeeds the consolidation in the amount of the assessed value at
- 24 the time of consolidation of the vacant parcel that was subject to
- 25 the consolidation.
- 26 (m) The exemption under subsection (l) is terminated as of the
- 27 assessment date that next succeeds the earlier of the following:
- 28 (1) Five (5) years after the transfer of title to the successful
- 29 applicant.
- 30 (2) The first transfer of title to the consolidated parcel that
- 31 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.

HOUSE MOTION

Mr. Speaker: I move that House Bill 1324 be amended to read as follows:

Page 2, line 11, after "(a)" insert **"For purposes of this section, in a county containing a consolidated city "county executive" refers to the board of commissioners of the county as provided in IC 36-3-3-10.**

(b)".

Page 2, delete lines 12 through 24, begin a new line blocked left and insert:

""vacant parcel" refers to a parcel that satisfies all the following:

- (1) A lien has been acquired on the parcel under section 6(a) of this chapter.**
- (2) The parcel is unimproved on the date the parcel is offered for sale under this chapter.**
- (3) The construction of a structure intended for residential use on the parcel is permitted by law.**
- (4) On the date the parcel is offered for sale under this chapter, the parcel is contiguous to one (1) or more parcels that satisfy the following:**
 - (A) One (1) or more of the following are located on the contiguous parcel:**
 - (i) A structure occupied for residential use.**
 - (ii) A structure used in conjunction with a structure occupied for residential use.**
 - (B) The contiguous parcel is eligible for the standard deduction under IC 6-1.1-12-37."**

Page 2, line 25, delete "(b)" and insert "(c)".

Page 2, line 25, delete "executive" and insert **"legislative body"**.

Page 2, line 33, delete "executive" and insert **"legislative body"**.

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Page 2, between lines 33 and 34, begin a new line blocked left and insert:

"In a county containing a consolidated city, the county legislative body may adopt an ordinance under this subsection only upon recommendation by the board of commissioners provided in IC 36-3-3-10."

Page 2, line 34, delete "(c)" and insert "(d)".

Page 2, line 34, delete "executive" and insert "legislative body".

Page 2, line 35, delete "(b)," and insert "(c),".

Page 2, line 38, delete "(d)," and insert "(e),".

Page 2, line 39, delete "(a)(4)" and insert "(b)(4)".

Page 2, line 41, delete "(d)" and insert "(e)".

Page 2, line 41, delete "(c)(2)" and insert "(d)(2)".

Page 3, delete lines 4 through 6, begin a new line block indented and insert:

"(2) Notice that the county executive will accept written applications from owners of parcels described in subsection (b)(4) as provided in subsection (f)."

Page 3, line 12, delete "(k)." and insert "(l)".

Page 3, line 13, delete "(e)" and insert "(f)".

Page 3, line 14, delete "(a)(4)" and insert "(b)(4)".

Page 3, line 21, delete "(f)" and insert "(g)".

Page 3, line 26, delete "(g)" and insert "(h)".

Page 3, line 29, delete "(h)" and insert "(i)".

Page 3, line 30, delete "(g)," and insert "(h),".

Page 3, line 39, delete "(i)" and insert "(j)".

Page 3, line 39, delete "(h)(2):" and insert "(i)(2):".

Page 4, line 1, delete "(j)," and insert "(k),".

Page 4, line 6, delete "(j)" and insert "(k)".

Page 4, line 7, delete "(i)(1)(B)" and insert "(j)(1)(B)".

Page 4, line 8, delete "(k)." and insert "(l)".

Page 4, line 9, delete "(k)" and insert "(l)".

Page 4, line 9, delete "(l)," and insert "(m),".

Page 4, line 10, delete "(i)(2)" and insert "(j)(2)".

Page 4, delete lines 15 through 17, begin a new paragraph and insert:

"(m) The exemption under subsection (l) is terminated as of the assessment date that next succeeds the earlier of the following:

(1) Five (5) years after the transfer of title to the successful applicant.

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(2) The first transfer of title to the consolidated parcel that occurs after the consolidation."

(Reference is to HB 1324 as printed January 29, 2010.)

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