

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.

HOUSE ENROLLED ACT No. 1324

AN ACT to amend the Indiana Code concerning taxation.

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

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

IC 4-20.5-14-3	IC 20-14-7-3
IC 4-20.5-19	IC 20-14-9-15
IC 5-1-4-26	IC 20-14-10-14
IC 6-1.1-10-5	IC 20-47-2-21
IC 6-1.1-24-6.8(k)	IC 20-47-3-15
IC 8-10-1-27	IC 23-7-7-3
IC 8-23-7-31	IC 23-14-70-23
IC 8-15-2-12	IC 36-1-10-18
IC 8-21-9-31	IC 36-7-14-37
IC 10-18-2-22	IC 36-7-15.1-25
IC 10-18-1-36	IC 36-7-18-25
IC 10-18-3-12	IC 36-9-4-52
IC 10-18-4-21	IC 36-9-11-10
IC 10-18-7-9	IC 36-9-11.1-11
IC 14-33-20-27	IC 36-9-13-36
IC 15-13-4-4	IC 36-9-13-37

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IC 16-22-6-34	IC 36-9-30-31
IC 21-34-8-3	IC 36-10-8-18
IC 21-35-2-19	IC 36-10-9-18
IC 21-35-3-20	

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

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

- (1) Limitations on the use of the parcel under local zoning and land use requirements.**
- (2) Minimum parcel area sufficient for construction of improvements.**
- (3) Any other factor considered appropriate by the county legislative body.**

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.

(d) If the county legislative body adopts an ordinance under

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subsection (c), the county executive shall for each tax sale:

- (1) by resolution, identify each vacant parcel that the county executive desires to sell under this section; and**
- (2) subject to subsection (e), give written notice to the owner of record of each parcel referred to in subsection (b)(4) that is contiguous to the vacant parcel.**

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

- (1) A description of the vacant parcel by:
 - (A) legal description; and**
 - (B) parcel number or street address, or both.****
- (2) Notice that the county executive will accept written applications from owners of parcels described in subsection (b)(4) as provided in subsection (f).**
- (3) Notice of the deadline for applications referred to in subdivision (2) and of the information to be included in the applications.**
- (4) Notice that the vacant parcel will be sold to the successful applicant for one dollar (\$1).**
- (5) Notice of the exemption provisions of subsection (l).**

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

- (1) identify the vacant parcel that the applicant desires to purchase; and**
- (2) include any other information required by the county executive.**

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

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

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

- (1) on behalf of the county, cause all delinquent taxes, special assessments, penalties, interest, and costs of sale with respect to the vacant parcels to be removed from the tax duplicate;**
- (2) give notice of the final determination to:**

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- (A) the successful applicant;**
- (B) the county auditor; and**
- (C) the township assessor, or the county assessor if there is no township assessor for the township.**

(j) Upon receipt of notice under subsection (i)(2):

(1) the county auditor shall:

- (A) collect the purchase price from each successful applicant; and**
- (B) subject to subsection (k), prepare a deed transferring each vacant parcel to the successful applicant; and**

(2) the township assessor or county assessor shall consolidate each vacant parcel sold and the contiguous parcel owned by the successful applicant into a single parcel.

(k) The county auditor shall include in the deed prepared under subsection (j)(1)(B) reference to the exemption under subsection (l).

(l) Except as provided in subsection (m), each consolidated parcel referred to in subsection (j)(2) is entitled to an exemption from property taxation beginning on the assessment date that next succeeds the consolidation in the amount of the assessed value at the time of consolidation of the vacant parcel that was subject to the consolidation.

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

SECTION 3. IC 6-1.1-25-4, AS AMENDED BY P.L.169-2006, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 4. (a) The period for redemption of real property sold under IC 6-1.1-24 is:

- (1) one (1) year after the date of sale;
- (2) one hundred twenty (120) days after the date of sale to a purchasing agency qualified under IC 36-7-17; or
- (3) one hundred twenty (120) days after the date of sale of real property on the list prepared under IC 6-1.1-24-1(a)(2) or IC 6-1.1-24-1.5.

(b) The period for redemption of real property:

- (1) on which the county executive acquires a lien under IC 6-1.1-24-6; and
- (2) for which the certificate of sale is not sold under IC 6-1.1-24-6.1;

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is one hundred twenty (120) days after the date the county executive acquires the lien under IC 6-1.1-24-6.

(c) The period for redemption of real property:

- (1) on which the county executive acquires a lien under IC 6-1.1-24-6; and
- (2) for which the certificate of sale is sold under IC 6-1.1-24;

is one hundred twenty (120) days after the date of sale of the certificate of sale under IC 6-1.1-24.

(d) When a deed for real property is executed under this chapter, the county auditor shall cancel the certificate of sale and file the canceled certificate in the office of the county auditor. If real property that appears on the list prepared under IC 6-1.1-24-1.5 is offered for sale and an amount that is at least equal to the minimum sale price required under IC 6-1.1-24-5(e) is not received, the county auditor shall issue a deed to the real property, subject to this chapter.

(e) When a deed is issued to a county executive under this chapter, the taxes and special assessments for which the real property was offered for sale, and all subsequent taxes, special assessments, interest, penalties, and cost of sale shall be removed from the tax duplicate in the same manner that taxes are removed by certificate of error.

(f) A tax deed executed under this chapter vests in the grantee an estate in fee simple absolute, free and clear of all liens and encumbrances created or suffered before or after the tax sale except those liens granted priority under federal law and the lien of the state or a political subdivision for taxes and special assessments which accrue subsequent to the sale and which are not removed under subsection (e). However, **subject to subsection (g)**, the estate is subject to:

- (1) all easements, covenants, declarations, and other deed restrictions shown by public records;
- (2) laws, ordinances, and regulations concerning governmental police powers, including zoning, building, land use, improvements on the land, land division, and environmental protection; and
- (3) liens and encumbrances created or suffered by the grantee.

(g) A tax deed executed under this chapter for real property sold in a tax sale:

- (1) does not operate to extinguish an easement recorded before the date of the tax sale in the office of the recorder of the county in which the real property is located, regardless of whether the easement was taxed under this article separately from the real property; and**

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(2) conveys title subject to all easements recorded before the date of the tax sale in the office of the recorder of the county in which the real property is located.

~~(g)~~ **(h)** A tax deed executed under this chapter is prima facie evidence of:

- (1) the regularity of the sale of the real property described in the deed;
- (2) the regularity of all proper proceedings; and
- (3) valid title in fee simple in the grantee of the deed.

~~(h)~~ **(i)** A county auditor is not required to execute a deed to the county executive under this chapter if the county executive determines that the property involved contains hazardous waste or another environmental hazard for which the cost of abatement or alleviation will exceed the fair market value of the property. The county executive may enter the property to conduct environmental investigations.

~~(i)~~ **(j)** If the county executive makes the determination under subsection ~~(h)~~ **(i)** as to any interest in an oil or gas lease or separate mineral rights, the county treasurer shall certify all delinquent taxes, interest, penalties, and costs assessed under IC 6-1.1-24 to the clerk, following the procedures in IC 6-1.1-23-9. After the date of the county treasurer's certification, the certified amount is subject to collection as delinquent personal property taxes under IC 6-1.1-23. Notwithstanding IC 6-1.1-4-12.4 and IC 6-1.1-4-12.6, the assessed value of such an interest shall be zero (0) until production commences.

~~(j)~~ **(k)** When a deed is issued to a purchaser of a certificate of sale sold under IC 6-1.1-24-6.1, the county auditor shall, in the same manner that taxes are removed by certificate of error, remove from the tax duplicate the taxes, special assessments, interest, penalties, and costs remaining due as the difference between the amount of the last minimum bid under IC 6-1.1-24-5(e) and the amount paid for the certificate of sale.

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Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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