

SENATE MOTION

MADAM PRESIDENT:

I move that Engrossed House Bill 1086 be amended to read as follows:

- 1 Page 6, between lines 7 and 8, begin a new paragraph and insert:
- 2 "SECTION 6. IC 6-1.1-4-4, AS AMENDED BY P.L.182-2009(ss),
- 3 SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 UPON PASSAGE]: Sec. 4. (a) ~~A general reassessment, involving a~~
- 5 ~~physical inspection of all real property in Indiana, shall begin July 1,~~
- 6 ~~2010, and each fifth year thereafter. Each reassessment under this~~
- 7 ~~subsection:~~
- 8 (1) ~~shall be completed on or before March 1 of the year that~~
- 9 ~~succeeds by two (2) years the year in which the general~~
- 10 ~~reassessment begins; and~~
- 11 (2) ~~shall be the basis for taxes payable in the year following the~~
- 12 ~~year in which the general assessment is to be completed.~~
- 13 (b) ~~In order to ensure that assessing officials are prepared for a~~
- 14 ~~general reassessment of real property, the department of local~~
- 15 ~~government finance shall give adequate advance notice of the general~~
- 16 ~~reassessment to the assessing officials of each county.~~
- 17 (c) ~~For a general reassessment that begins on or after July 1, 2010,~~
- 18 ~~the assessed value of real property shall be based on the estimated true~~
- 19 ~~tax value of the property on the assessment date that is the basis for~~
- 20 ~~taxes payable in the year following the year in which the general~~
- 21 ~~reassessment is to be completed. The county assessor of each county~~
- 22 ~~shall, before January 1, 2011, prepare and submit to the~~
- 23 ~~department of local government finance a reassessment plan for~~
- 24 ~~the county. The following apply to a reassessment plan prepared~~
- 25 ~~and submitted under this section:~~
- 26 (1) ~~The reassessment plan is subject to approval by the~~
- 27 ~~department of local government finance.~~
- 28 (2) ~~The department of local government finance shall~~
- 29 ~~determine the classes of real property to be used for purposes~~
- 30 ~~of this section.~~

- 1 **(3) Except as provided in subsection (b), the reassessment plan**
2 **must divide all parcels of real property in the county into five**
3 **(5) different groups of parcels. Each group of parcels must**
4 **contain approximately twenty percent (20%) of the parcels**
5 **within each class of real property in the county.**
6 **(4) Except as provided in subsection (b), all real property in**
7 **each group of parcels shall be inspected under the county's**
8 **reassessment plan once during each five (5) year cycle. Those**
9 **parcels inspected within the past five (5) years as a result of**
10 **sales transactions are not required to be reinspected in the**
11 **year's scheduled group.**
12 **(5) The inspection of a group of parcels in a particular class**
13 **of real property must begin on July 1 of a year.**
14 **(6) The reassessment of parcels each year:**
15 **(A) must include a physical inspection of each parcel of**
16 **real property in the group of parcels scheduled for**
17 **inspection that year;**
18 **(B) must be completed on or before March 1 of the year**
19 **after the year in which the inspection of the group of**
20 **parcels begins; and**
21 **(C) must be part of an annual reassessment plan that**
22 **includes the reassessment of all parcels in the county**
23 **through an annual adjustment procedure that maintains**
24 **value uniformity throughout the county in accordance with**
25 **section 4.5 of this chapter.**
26 **(7) For real property included in a group of parcels that is**
27 **inspected, as well as the balance of parcels not inspected that**
28 **year, reassessment by annual adjustment of value is the basis**
29 **for taxes payable in the year following the year for which the**
30 **reassessment is completed.**
31 **(b) A county may submit a reassessment plan that provides for**
32 **inspecting more than twenty percent (20%) of all parcels of real**
33 **property in the county in a particular year. The plan shall provide**
34 **that all parcels in the county are to be analyzed each year and their**
35 **values adjusted as necessary to maintain assessment uniformity**
36 **throughout the county. However, a plan must cover a five (5) year**
37 **period and provide that at least twenty percent (20%) of all parcels**
38 **will be inspected each year during the five (5) year period. Each**
39 **group of parcels must contain approximately an equal percentage**
40 **of the parcels within each class of real property in the county. All**
41 **real property in each group of parcels must be reassessed under**
42 **the county's reassessment plan once during each reassessment**
43 **cycle.**
44 **(c) The inspection of the first group of parcels under a county's**
45 **reassessment plan must begin on July 1, 2011, and must be**
46 **completed on or before March 1, 2012. The reassessment of all**
47 **parcels in the county each year shall be in accordance with the**

1 **annual adjustment rules established by the department of local**
 2 **government finance under section 4.5 of this chapter."**

3 Page 6, line 13, strike "in those years since a general reassessment
 4 of".

5 Page 6, line 14, strike "property last took effect." and insert "**under**
 6 **a county's reassessment plan.**".

7 Page 6, line 17, after "thereafter" insert ".".

8 Page 6, line 17, strike "that is not a year in which a reassessment
 9 becomes effective."

10 Page 7, between lines 10 and 11, begin a new paragraph and insert:
 11 "SECTION 8. IC 6-1.1-4-5 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 5. (a) A petition
 13 for the reassessment of a real property situated within a township
 14 **group designated under a county's reassessment plan** may be filed
 15 with the department of local government finance ~~on or before March~~
 16 ~~31st~~ of any year which is not a general election year and in which no
 17 general reassessment of real property is made: **not later than**
 18 **forty-five (45) days after notice of assessment. A petition for**
 19 **reassessment of real property applies only to the most recent real**
 20 **property assessment date.**

21 (b) The petition for reassessment must be signed by ~~not less than the~~
 22 ~~following percentage of all the owners of taxable~~ **the lesser of one**
 23 **hundred (100) real property who reside in the township: owners of**
 24 **parcels in the group or five percent (5%) of real property owners**
 25 **of parcels in the group.**

26 (1) fifteen percent (15%) for a township which does not contain
 27 an incorporated city or town;

28 (2) five percent (5%) for a township containing all or part of an
 29 incorporated city or town which has a population of five thousand
 30 (5,000) or less;

31 (3) four percent (4%) for a township containing all or part of an
 32 incorporated city which has a population of more than five
 33 thousand (5,000) but not exceeding ten thousand (10,000);

34 (4) three percent (3%) for a township containing all or part of an
 35 incorporated city which has a population of more than ten
 36 thousand (10,000) but not exceeding fifty thousand (50,000);

37 (5) two percent (2%) for a township containing all or part of an
 38 incorporated city which has a population of more than fifty
 39 thousand (50,000) but not exceeding one hundred fifty thousand
 40 (150,000); or

41 (6) one percent (1%) for a township containing all or part of an
 42 incorporated city which has a population of more than one
 43 hundred fifty thousand (150,000);

44 The signatures on the petition must be verified by the oath of one (1)
 45 or more of the signers. ~~And,~~ A certificate of the county auditor stating
 46 that the signers constitute the required number of ~~resident~~ owners of

1 taxable real property of the township in the group of parcels must
2 accompany the petition.

3 **(c) Upon receipt of a petition under subsection (a), the**
4 **department of local government finance may order a reassessment**
5 **under section 9 of this chapter or conduct a reassessment under**
6 **section 31.5 of this chapter.**

7 SECTION 9. IC 6-1.1-4-6 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 6. If the
9 department of local government finance determines that a petition filed
10 under section 5 of this chapter has been signed by the required number
11 of petitioners and that the present assessed value of any real property
12 is inequitable, the department of local government finance shall order
13 a reassessment of the real property ~~which has been inequitably~~
14 ~~assessed:~~ **in the group for which the petition was filed.** The order
15 shall specify the time within which the reassessment shall be completed
16 and the date on which the reassessment shall become effective.

17 SECTION 10. IC 6-1.1-4-9 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 9. In order to
19 maintain a just and equitable valuation of real property, the department
20 of local government finance may adopt a resolution declaring its belief
21 that it is necessary to reassess all or a portion of the real property
22 located within this state. If the department of local government finance
23 adopts a reassessment resolution and if ~~either a township or a larger~~
24 ~~area is one (1) or more groups of parcels under the county's~~
25 **reassessment plan are** involved, the department shall hold a hearing
26 concerning the necessity for the reassessment at the courthouse of the
27 county in which the property is located. The department of local
28 government finance shall give notice of the time and place of the
29 hearing in the manner provided in section 10 of this chapter. After the
30 hearing, or if the area involved is ~~less than a township,~~ **only one (1)**
31 **group of parcels under the county's reassessment plan,** after the
32 adoption of the resolution of the department of local government
33 finance, the department may order any reassessment it deems
34 necessary. The order shall specify the time within which the
35 reassessment must be completed and the date the reassessment will
36 become effective.

37 SECTION 11. IC 6-1.1-4-13.6, AS AMENDED BY P.L.136-2009,
38 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 JANUARY 1, 2011]: Sec. 13.6. (a) The ~~township assessor, or the~~
40 ~~county assessor if there is no township assessor for the township,~~ shall
41 determine the values of all classes of commercial, industrial, and
42 residential land (including farm homesites) in the ~~township or county~~
43 using guidelines determined by the department of local government
44 finance. Not later than ~~November July 1, of the year preceding the year~~
45 ~~in which a general reassessment becomes effective,~~ **2011, and every**
46 **fourth year thereafter,** the assessor determining the values of land

1 shall submit the values to the county property tax assessment board of
 2 appeals. Not later than March 1 of the year in which a general
 3 reassessment becomes effective, the county property tax assessment
 4 board of appeals shall hold a public hearing in the county concerning
 5 those values. The property tax assessment board of appeals shall give
 6 notice of the hearing in accordance with IC 5-3-1.

7 (b) The county property tax assessment board of appeals shall
 8 review the values submitted under subsection (a) and may make any
 9 modifications it considers necessary to provide uniformity and equality.
 10 The county property tax assessment board of appeals shall coordinate
 11 the valuation of property adjacent to the boundaries of the county with
 12 the county property tax assessment boards of appeals of the adjacent
 13 counties using the procedures adopted by rule under IC 4-22-2 by the
 14 department of local government finance. If the county assessor fails to
 15 submit ~~determine~~ land values under subsection (a) ~~to the county~~
 16 property tax assessment board of appeals before ~~November~~ **the July 1**
 17 ~~of the year before the date the general reassessment under section 4 of~~
 18 ~~this chapter becomes effective, deadline,~~ the county property tax
 19 assessment board of appeals shall determine the values. If the county
 20 property tax assessment board of appeals fails to determine the values
 21 before the ~~general reassessment becomes~~ **land values become**
 22 effective, the department of local government finance shall determine
 23 the values.

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

28 **(d) A petition for the review of the land values determined by a**
 29 **county assessor under this section may be filed with the**
 30 **department of local government finance not later than forty-five**
 31 **(45) days after the county assessor makes the determination of the**
 32 **land values. The petition must be signed by at least the lesser of:**

- 33 **(1) one hundred (100) property owners in the county; or**
 34 **(2) five percent (5%) of the property owners in the county.**

35 **(e) Upon receipt of a petition for review under subsection (d),**
 36 **the department of local government finance:**

37 **(1) shall review the land values determined by the county**
 38 **assessor; and**

39 **(2) after a public hearing, shall:**

40 **(A) approve;**

41 **(B) modify; or**

42 **(C) disapprove;**

43 **the land values.**

44 SECTION 12. IC 6-1.1-4-16, AS AMENDED BY P.L.146-2008,
 45 SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 46 JANUARY 1, 2011]: Sec. 16. (a) For purposes of making a ~~general~~

1 reassessment of real property **under a county's reassessment plan** or
 2 annual adjustments under section 4.5 of this chapter, a township
 3 assessor (if any) and a county assessor may employ:

- 4 (1) deputies;
- 5 (2) employees; and
- 6 (3) technical advisors who are:
 - 7 (A) qualified to determine real property values;
 - 8 (B) professional appraisers certified under 50 IAC 15; and
 - 9 (C) employed either on a full-time or a part-time basis, subject
 10 to sections 18.5 and 19.5 of this chapter.

11 (b) The county council of each county shall appropriate the funds
 12 necessary for the employment of deputies, employees, or technical
 13 advisors employed under subsection (a) of this section.

14 SECTION 13. IC 6-1.1-4-17, AS AMENDED BY P.L.182-2009(ss),
 15 SECTION 87, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JANUARY 1, 2011]: Sec. 17. (a) Subject to the approval of the
 17 department of local government finance and the requirements of
 18 section 18.5 of this chapter, a county assessor may employ professional
 19 appraisers as technical advisors for assessments in all townships in the
 20 county. The department of local government finance may approve
 21 employment under this subsection only if the department is a party to
 22 the employment contract and any addendum to the employment
 23 contract.

24 (b) A decision by a county assessor to not employ a professional
 25 appraiser as a technical advisor in a ~~general~~ reassessment **under a**
 26 **county's reassessment plan** is subject to approval by the department
 27 of local government finance.

28 (c) As used in this chapter, "professional appraiser" means an
 29 individual or firm that is certified under IC 6-1.1-31.7.

30 SECTION 14. IC 6-1.1-4-20, AS AMENDED BY P.L.146-2008,
 31 SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JANUARY 1, 2011]: Sec. 20. The department of local government
 33 finance may establish a period, with respect to each ~~general~~
 34 reassessment **under a county's reassessment plan**, that is the only
 35 time during which a county assessor may enter into a contract with a
 36 professional appraiser. ~~The period set by the department of local~~
 37 ~~government finance may not begin before January 1 of the year the~~
 38 ~~general reassessment begins. If no period is established by the~~
 39 ~~department of local government finance, a county assessor may enter~~
 40 ~~into such a contract only on or after January 1 and before April 16 of~~
 41 ~~the year in which the general reassessment is to commence.~~

42 SECTION 15. IC 6-1.1-4-21, AS AMENDED BY P.L.146-2008,
 43 SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 44 JANUARY 1, 2011]: Sec. 21. (a) ~~If during a period of general~~
 45 ~~reassessment, a county assessor personally makes the real property~~
 46 ~~appraisals, The appraisals of the parcels in a group of parcels under~~

1 **a county's reassessment plan and** subject to taxation must be
2 completed as follows:

3 (1) The appraisal of ~~one-fourth (1/4)~~ **one-third (1/3)** of the
4 parcels shall be completed before ~~December~~ **October** 1 of the
5 year in which the ~~general group's~~ **reassessment under the county**
6 **reassessment plan** begins.

7 (2) The appraisal of ~~one-half (1/2)~~ **two-thirds (2/3)** of the parcels
8 shall be completed before ~~May~~ **January** 1 of the year following
9 the year in which the ~~general group's~~ **reassessment under the**
10 **county reassessment plan** begins.

11 (3) The appraisal of ~~three-fourths (3/4)~~ of the parcels shall be
12 completed before ~~October~~ **†** of the year following the year in
13 which the ~~general~~ **reassessment** begins.

14 (4) **(3)** The appraisal of all the parcels shall be completed before
15 March 1 of the ~~second~~ year following the year in which the
16 ~~general group's~~ **reassessment under the county reassessment**
17 **plan** begins.

18 (b) If a county assessor employs a professional appraiser or a
19 professional appraisal firm to make real property appraisals ~~during a~~
20 ~~period of general reassessment, of a group of parcels under a~~
21 **county's reassessment plan**, the professional appraiser or appraisal
22 firm must file appraisal reports with the county assessor ~~as follows:~~

23 (1) The appraisals for ~~one-fourth (1/4)~~ of the parcels shall be
24 reported before ~~December~~ **†** of the year in which the general
25 reassessment begins.

26 (2) The appraisals for ~~one-half (1/2)~~ of the parcels shall be
27 reported before ~~May~~ **†** of the year following the year in which the
28 general reassessment begins.

29 (3) The appraisals for ~~three-fourths (3/4)~~ of the parcels shall be
30 reported before ~~October~~ **†** of the year following the year in which
31 the general reassessment begins.

32 (4) The appraisals for all the parcels shall be reported before
33 ~~March~~ **†** of the ~~second~~ year following the year in which the
34 general reassessment begins.

35 **by the dates set forth in subsection (a).** However, the reporting
36 requirements prescribed in this subsection do not apply if the contract
37 under which the professional appraiser, or appraisal firm, is employed
38 prescribes different reporting procedures.

39 SECTION 16. IC 6-1.1-4-22, AS AMENDED BY P.L.136-2009,
40 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
41 JANUARY 1, 2011]: Sec. 22. (a) If any assessing official assesses or
42 reassesses any real property under this article, the official shall give
43 notice to the taxpayer and the county assessor, by mail, of the amount
44 of the assessment or reassessment.

45 (b) ~~During a period of general reassessment, each township or~~
46 ~~county assessor shall mail the notice required by this section within~~

1 ninety (90) days after the assessor:

2 ~~(1)~~ completes the appraisal of a parcel; or

3 ~~(2)~~ receives a report for a parcel from a professional appraiser or
4 professional appraisal firm:

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

8 ~~(d)~~ **(c)** Notice of the opportunity to appeal the assessed valuation
9 required under subsection ~~(c)~~ **(b)** must include the following:

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

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

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

17 SECTION 17. IC 6-1.1-4-27.5, AS AMENDED BY P.L.146-2008,
18 SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 JANUARY 1, 2011]: Sec. 27.5. (a) The auditor of each county shall
20 establish a property reassessment fund. The county treasurer shall
21 deposit all collections resulting from the property taxes that the county
22 levies for the county's property reassessment fund.

23 (b) With respect to the general reassessment of real property that is
24 to commence on July 1, 2009, the county council of each county shall,
25 for property taxes due in 2006, 2007, 2008, and 2009, levy in each year
26 against all the taxable property in the county an amount equal to
27 one-fourth (1/4) of the remainder of:

28 (1) the estimated costs referred to in section 28.5(a) of this
29 chapter; minus

30 (2) the amount levied under this section by the county council for
31 property taxes due in 2004 and 2005.

32 (c) With respect to a ~~general~~ reassessment of real property ~~that is to~~
33 ~~commence on July 1, 2014, and each fifth year thereafter, under a~~
34 **county's reassessment plan after December 31, 2010**, the county
35 council of each county shall, for property taxes due ~~in the year that the~~
36 ~~general reassessment is to commence and the four (4) years preceding~~
37 ~~that each~~ year, levy against all the taxable property in the county an
38 amount equal to ~~one-fifth (1/5) of~~ the estimated costs of the ~~general~~
39 reassessment under section 28.5 of this chapter.

40 (d) The department of local government finance shall give to each
41 county council notice, before January 1 in a year, of the tax levies
42 required by this section for that year.

43 (e) The department of local government finance may raise or lower
44 the property tax levy under this section for a year if the department
45 determines it is appropriate because the estimated cost of:

46 (1) a ~~general~~ reassessment of a group of parcels under a

- 1 **county's reassessment plan; or**
 2 (2) making annual adjustments under section 4.5 of this chapter;
 3 has changed.
- 4 (f) The county assessor may petition the county fiscal body to
 5 increase the levy under subsection (b) or (c) to pay for the costs of:
- 6 (1) a ~~general~~ **reassessment of a group of parcels under a**
 7 **county's reassessment plan;**
 8 (2) verification under 50 IAC 21-3-2 of sales disclosure forms
 9 forwarded to the county assessor under IC 6-1.1-5.5-3; or
 10 (3) processing annual adjustments under section 4.5 of this
 11 chapter.
- 12 The assessor must document the needs and reasons for the increased
 13 funding.
- 14 (g) If the county fiscal body denies a petition under subsection (f),
 15 the county assessor may appeal to the department of local government
 16 finance. The department of local government finance shall:
- 17 (1) hear the appeal; and
 18 (2) determine whether the additional levy is necessary.
- 19 SECTION 18. IC 6-1.1-4-28.5, AS AMENDED BY P.L.146-2008,
 20 SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JANUARY 1, 2011]: Sec. 28.5. (a) Money assigned to a property
 22 reassessment fund under section 27.5 of this chapter may be used only
 23 to pay the costs of:
- 24 (1) the ~~general~~ reassessment of real property **under a county's**
 25 **reassessment plan**, including the computerization of assessment
 26 records;
 27 (2) payments to assessing officials and hearing officers for county
 28 property tax assessment boards of appeals under IC 6-1.1-35.2;
 29 (3) the development or updating of detailed soil survey data by
 30 the United States Department of Agriculture or its successor
 31 agency;
 32 (4) the updating of plat books;
 33 (5) payments for the salary of permanent staff or for the
 34 contractual services of temporary staff who are necessary to assist
 35 assessing officials;
 36 (6) making annual adjustments under section 4.5 of this chapter;
 37 and
 38 (7) the verification under 50 IAC 21-3-2 of sales disclosure forms
 39 forwarded to:
- 40 (A) the county assessor; or
 41 (B) township assessors (if any);
 42 under IC 6-1.1-5.5-3.
- 43 Money in a property tax reassessment fund may not be transferred or
 44 reassigned to any other fund and may not be used for any purposes
 45 other than those set forth in this section.
- 46 (b) All counties shall use modern, detailed soil maps in the ~~general~~

1 reassessment of agricultural land.

2 (c) The county treasurer of each county shall, in accordance with
3 IC 5-13-9, invest any money accumulated in the property reassessment
4 fund. Any interest received from investment of the money shall be paid
5 into the property reassessment fund.

6 (d) An appropriation under this section must be approved by the
7 fiscal body of the county after the review and recommendation of the
8 county assessor. However, in a county with a township assessor in
9 every township, the county assessor does not review an appropriation
10 under this section, and only the fiscal body must approve an
11 appropriation under this section.

12 SECTION 19. IC 6-1.1-4-29, AS AMENDED BY P.L.146-2008,
13 SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JANUARY 1, 2011]: Sec. 29. (a) The expenses of a reassessment,
15 except those incurred by the department of local government finance
16 in performing its normal functions, shall be paid by the county in which
17 the reassessed property is situated. These expenses, except for the
18 expenses of a ~~general~~ reassessment **of a group of parcels under a**
19 **county's reassessment plan**, shall be paid from county funds. The
20 county auditor shall issue warrants for the payment of reassessment
21 expenses. No prior appropriations are required in order for the auditor
22 to issue warrants.

23 (b) An order of the department of local government finance
24 directing the reassessment of property shall contain an estimate of the
25 cost of making the reassessment. The assessing officials in the county,
26 the county property tax assessment board of appeals, and the county
27 auditor may not exceed the amount so estimated by the department of
28 local government finance.

29 SECTION 20. IC 6-1.1-4-30 IS AMENDED TO READ AS
30 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 30. In making any
31 assessment or reassessment of real property in the interim between
32 ~~general~~ reassessments **of that real property under a county's**
33 **reassessment plan**, the rules, regulations, and standards for assessment
34 are the same as those used **for that real property** in the preceding
35 ~~general~~ reassessment **of that group of parcels under a county's**
36 **reassessment plan**.

37 SECTION 21. IC 6-1.1-4-31, AS AMENDED BY P.L.146-2008,
38 SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 JANUARY 1, 2011]: Sec. 31. (a) The department of local government
40 finance shall periodically check the conduct of:

- 41 (1) a ~~general~~ reassessment of property **under a county's**
42 **reassessment plan**;
- 43 (2) work required to be performed by local officials under 50
44 IAC 21; and
- 45 (3) other property assessment activities in the county, as
46 determined by the department.

1 The department of local government finance may inform township
 2 assessors (if any), county assessors, and the presidents of county
 3 councils in writing if its check reveals that ~~the general a~~ reassessment
 4 or other property assessment activities are not being properly
 5 conducted, work required to be performed by local officials under 50
 6 IAC 21 is not being properly conducted, or property assessments are
 7 not being properly made.

8 (b) The failure of the department of local government finance to
 9 inform local officials under subsection (a) shall not be construed as an
 10 indication by the department that:

11 (1) the ~~general~~ reassessment **under a county's reassessment**
 12 **plan** or other property assessment activities are being properly
 13 conducted;

14 (2) work required to be performed by local officials under 50
 15 IAC 21 is being properly conducted; or

16 (3) property assessments are being properly made.

17 (c) If the department of local government finance:

18 (1) determines under subsection (a) that a ~~general~~ reassessment
 19 **under a county's reassessment plan** or other assessment
 20 activities for a ~~general reassessment year or any other year~~ are not
 21 being properly conducted; and

22 (2) informs:

23 (A) the township assessor (if any) of each affected township;

24 (B) the county assessor; and

25 (C) the president of the county council;

26 in writing under subsection (a);

27 the department may order a state conducted assessment or reassessment
 28 under section 31.5 of this chapter to begin not less than sixty (60) days
 29 after the date of the notice under subdivision (2). ~~If the department~~
 30 ~~determines during the period between the date of the notice under~~
 31 ~~subdivision (2) and the proposed date for beginning the state conducted~~
 32 ~~assessment or reassessment that the general reassessment or other~~
 33 ~~assessment activities for the general reassessment are being properly~~
 34 ~~conducted; the department may rescind the order.~~

35 (d) If the department of local government finance:

36 (1) determines under subsection (a) that work required to be
 37 performed by local officials under 50 IAC 21 is not being
 38 properly conducted; and

39 (2) informs:

40 (A) the township assessor of each affected township (if any);

41 (B) the county assessor; and

42 (C) the president of the county council;

43 in writing under subsection (a);

44 the department may conduct the work or contract to have the work
 45 conducted to begin not less than sixty (60) days after the date of the
 46 notice under subdivision (2). If the department determines during the

1 period between the date of the notice under subdivision (2) and the
 2 proposed date for beginning the work or having the work conducted
 3 that work required to be performed by local officials under 50 IAC 21
 4 is being properly conducted, the department may rescind the order.

5 (e) If the department of local government finance contracts to have
 6 work conducted under subsection (d), the department shall forward the
 7 bill for the services to the county and the county shall pay the bill under
 8 the same procedures that apply to county payments of bills for
 9 assessment or reassessment services under section 31.5 of this chapter.

10 (f) A county council president who is informed by the department
 11 of local government finance under subsection (a) shall provide the
 12 information to the board of county commissioners. A board of county
 13 commissioners that receives information under this subsection may
 14 adopt an ordinance to do either or both of the following:

15 (1) Determine that:

16 (A) the information indicates that the county assessor has
 17 failed to perform adequately the duties of county assessor; and

18 (B) by that failure the county assessor forfeits the office of
 19 county assessor and is subject to removal from office by an
 20 information filed under IC 34-17-2-1(b).

21 (2) Determine that:

22 (A) the information indicates that one (1) or more township
 23 assessors in the county have failed to perform adequately the
 24 duties of township assessor; and

25 (B) by that failure the township assessor or township assessors
 26 forfeit the office of township assessor and are subject to
 27 removal from office by an information filed under
 28 IC 34-17-2-1(b).

29 (g) A city-county council that is informed by the department of local
 30 government finance under subsection (a) may adopt an ordinance
 31 making the determination or determinations referred to in subsection
 32 (f).

33 SECTION 22. IC 6-1.1-4-31.5, AS AMENDED BY P.L.146-2008,
 34 SECTION 82, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JANUARY 1, 2011]: Sec. 31.5. (a) As used in this section,
 36 "department" refers to the department of local government finance.

37 (b) If the department makes a determination and informs local
 38 officials under section 31(c) of this chapter, the department may order
 39 a state conducted assessment or reassessment in the county subject to
 40 the time limitation in that subsection.

41 (c) If the department orders a state conducted assessment or
 42 reassessment in a county, the department shall assume the duties of the
 43 county assessor. Notwithstanding sections 15 and 17 of this chapter, a
 44 county assessor subject to an order issued under this section may not
 45 assess property or have property assessed for the assessment or ~~general~~
 46 reassessment **under a county's reassessment plan**. Until the state

1 conducted assessment or reassessment is completed under this section,
 2 the assessment or reassessment duties of the county assessor are
 3 limited to providing the department or a contractor of the department
 4 the support and information requested by the department or the
 5 contractor.

6 (d) Before assuming the duties of a county assessor, the department
 7 shall transmit a copy of the department's order requiring a state
 8 conducted assessment or reassessment to the county assessor, the
 9 county fiscal body, the county auditor, and the county treasurer. Notice
 10 of the department's actions must be published one (1) time in a
 11 newspaper of general circulation published in the county. The
 12 department is not required to conduct a public hearing before taking
 13 action under this section.

14 (e) A county assessor subject to an order issued under this section
 15 shall, at the request of the department or the department's contractor,
 16 make available and provide access to all:

- 17 (1) data;
- 18 (2) records;
- 19 (3) maps;
- 20 (4) parcel record cards;
- 21 (5) forms;
- 22 (6) computer software systems;
- 23 (7) computer hardware systems; and
- 24 (8) other information;

25 related to the assessment or reassessment of real property in the county.
 26 The information described in this subsection must be provided at no
 27 cost to the department or the contractor of the department. A failure to
 28 provide information requested under this subsection constitutes a
 29 failure to perform a duty related to an assessment or a ~~general~~
 30 reassessment **under a county's reassessment plan** and is subject to
 31 IC 6-1.1-37-2.

32 (f) The department may enter into a contract with a professional
 33 appraising firm to conduct an assessment or reassessment under this
 34 section. If a county entered into a contract with a professional
 35 appraising firm to conduct the county's assessment or reassessment
 36 before the department orders a state conducted assessment or
 37 reassessment in the county under this section, the contract:

- 38 (1) is as valid as if it had been entered into by the department; and
- 39 (2) shall be treated as the contract of the department.

40 (g) After receiving the report of assessed values from the appraisal
 41 firm acting under a contract described in subsection (f), the department
 42 shall give notice to the taxpayer and the county assessor, by mail, of the
 43 amount of the assessment or reassessment. The notice of assessment or
 44 reassessment:

- 45 (1) is subject to appeal by the taxpayer under section 31.7 of this
 46 chapter; and

1 (2) must include a statement of the taxpayer's rights under section
2 31.7 of this chapter.

3 (h) The department shall forward a bill for services provided under
4 a contract described in subsection (f) to the auditor of the county in
5 which the state conducted reassessment occurs. The county shall pay
6 the bill under the procedures prescribed by subsection (i).

7 (i) A county subject to an order issued under this section shall pay
8 the cost of a contract described in subsection (f), without appropriation,
9 from the county property reassessment fund. A contractor may
10 periodically submit bills for partial payment of work performed under
11 the contract. Notwithstanding any other law, a contractor is entitled to
12 payment under this subsection for work performed under a contract if
13 the contractor:

14 (1) submits to the department a fully itemized, certified bill in the
15 form required by IC 5-11-10-1 for the costs of the work performed
16 under the contract;

17 (2) obtains from the department:

18 (A) approval of the form and amount of the bill; and

19 (B) a certification that the billed goods and services have been
20 received and comply with the contract; and

21 (3) files with the county auditor:

22 (A) a duplicate copy of the bill submitted to the department;

23 (B) proof of the department's approval of the form and amount
24 of the bill; and

25 (C) the department's certification that the billed goods and
26 services have been received and comply with the contract.

27 The department's approval and certification of a bill under subdivision
28 (2) shall be treated as conclusively resolving the merits of a contractor's
29 claim. Upon receipt of the documentation described in subdivision (3),
30 the county auditor shall immediately certify that the bill is true and
31 correct without further audit and submit the claim to the county
32 executive. The county executive shall allow the claim, in full, as
33 approved by the department, without further examination of the merits
34 of the claim in a regular or special session that is held not less than
35 three (3) days and not more than seven (7) days after the date the claim
36 is certified by the county fiscal officer if the procedures in IC 5-11-10-2
37 are used to approve the claim or the date the claim is placed on the
38 claim docket under IC 36-2-6-4 if the procedures in IC 36-2-6-4 are
39 used to approve the claim. Upon allowance of the claim by the county
40 executive, the county auditor shall immediately issue a warrant or
41 check for the full amount of the claim approved by the department.
42 Compliance with this subsection constitutes compliance with
43 IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and
44 payment of a claim in compliance with this subsection is not subject to
45 remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply
46 to a claim submitted under this subsection. IC 5-11-10-1.6(d) applies

- 1 to a fiscal officer who pays a claim in compliance with this subsection.
 2 (j) Notwithstanding IC 4-13-2, a period of seven (7) days is
 3 permitted for each of the following to review and act under IC 4-13-2
 4 on a contract of the department entered into under this section:
 5 (1) The commissioner of the Indiana department of
 6 administration.
 7 (2) The director of the budget agency.
 8 (3) The attorney general.
 9 (k) If money in the county's property reassessment fund is
 10 insufficient to pay for an assessment or reassessment conducted under
 11 this section, the department may increase the tax rate and tax levy of
 12 the county's property reassessment fund to pay the cost and expenses
 13 related to the assessment or reassessment.
 14 (l) The department or the contractor of the department shall use the
 15 land values determined under section 13.6 of this chapter for a county
 16 subject to an order issued under this section to the extent that the
 17 department or the contractor finds that the land values reflect the true
 18 tax value of land, as determined under this article and the rules of the
 19 department. If the department or the contractor finds that the land
 20 values determined for the county under section 13.6 of this chapter do
 21 not reflect the true tax value of land, the department or the contractor
 22 shall determine land values for the county that reflect the true tax value
 23 of land, as determined under this article and the rules of the
 24 department. Land values determined under this subsection shall be
 25 used to the same extent as if the land values had been determined under
 26 section 13.6 of this chapter. The department or the contractor of the
 27 department shall notify the county's assessing officials of the land
 28 values determined under this subsection.
 29 (m) A contractor of the department may notify the department if:
 30 (1) a county auditor fails to:
 31 (A) certify the contractor's bill;
 32 (B) publish the contractor's claim;
 33 (C) submit the contractor's claim to the county executive; or
 34 (D) issue a warrant or check for payment of the contractor's
 35 bill;
 36 as required by subsection (i) at the county auditor's first legal
 37 opportunity to do so;
 38 (2) a county executive fails to allow the contractor's claim as
 39 legally required by subsection (i) at the county executive's first
 40 legal opportunity to do so; or
 41 (3) a person or an entity authorized to act on behalf of the county
 42 takes or fails to take an action, including failure to request an
 43 appropriation, and that action or failure to act delays or halts
 44 progress under this section for payment of the contractor's bill.
 45 (n) The department, upon receiving notice under subsection (m)
 46 from a contractor of the department, shall:

- 1 (1) verify the accuracy of the contractor's assertion in the notice
- 2 that:
- 3 (A) a failure occurred as described in subsection (m)(1) or
- 4 (m)(2); or
- 5 (B) a person or an entity acted or failed to act as described in
- 6 subsection (m)(3); and
- 7 (2) provide to the treasurer of state the department's approval
- 8 under subsection (i)(2)(A) of the contractor's bill with respect to
- 9 which the contractor gave notice under subsection (m).

10 (o) Upon receipt of the department's approval of a contractor's bill
 11 under subsection (n), the treasurer of state shall pay the contractor the
 12 amount of the bill approved by the department from money in the
 13 possession of the state that would otherwise be available for
 14 distribution to the county, including distributions of admissions taxes
 15 or wagering taxes.

16 (p) The treasurer of state shall withhold from the money that would
 17 be distributed under IC 4-33-12-6, IC 4-33-13-5, or any other law to a
 18 county described in a notice provided under subsection (m) the amount
 19 of a payment made by the treasurer of state to the contractor of the
 20 department under subsection (o). Money shall be withheld from any
 21 source payable to the county.

22 (q) Compliance with subsections (m) through (p) constitutes
 23 compliance with IC 5-11-10.

24 (r) IC 5-11-10-1.6(d) applies to the treasurer of state with respect to
 25 the payment made in compliance with subsections (m) through (p).
 26 This subsection and subsections (m) through (p) must be interpreted
 27 liberally so that the state shall, to the extent legally valid, ensure that
 28 the contractual obligations of a county subject to this section are paid.
 29 Nothing in this section shall be construed to create a debt of the state.

30 (s) The provisions of this section are severable as provided in
 31 IC 1-1-1-8(b)."

32 Page 8, between lines 24 and 25, begin a new paragraph and insert:
 33 "SECTION 26. IC 6-1.1-8.5-8, AS AMENDED BY P.L.154-2006,
 34 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JANUARY 1, 2011]: Sec. 8. (a) For purposes of the ~~general~~
 36 reassessment under IC 6-1.1-4-4 **of a group of parcels under a**
 37 **county's reassessment plan** or for purposes of a new assessment, the
 38 department of local government finance shall assess each industrial
 39 facility in a qualifying county.

40 (b) The following may not assess an industrial facility in a
 41 qualifying county:

- 42 (1) A county assessor.
- 43 (2) An assessing official.
- 44 (3) A county property tax assessment board of appeals.

45 SECTION 27. IC 6-1.1-8.7-3, AS AMENDED BY P.L.219-2007,
 46 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

1 JANUARY 1, 2011]: Sec. 3. ~~(a) Before January 1, 2003, Two hundred~~
 2 ~~fifty (250) or more owners of real property in a township may petition~~
 3 ~~the department to assess the real property of an industrial facility in the~~
 4 ~~township. for the 2004 assessment date.~~

5 ~~(b) Before January 1 of each year that a general reassessment~~
 6 ~~commences under IC 6-1.1-4-4; (a) Two hundred fifty (250) or more~~
 7 ~~owners of real property in a township may petition the department to~~
 8 ~~assess the real property of an industrial facility in the township. for that~~
 9 ~~general reassessment.~~

10 ~~(c) (b) An industrial company may at any time petition the~~
 11 ~~department to assess the real property of an industrial facility owned or~~
 12 ~~used by the company.~~

13 ~~(d) (c) Before January 1 of any year, the county assessor of the~~
 14 ~~county in which an industrial facility is located may petition the~~
 15 ~~department to assess the real property of the industrial facility for the~~
 16 ~~assessment date in that the following year.~~

17 SECTION 28. IC 6-1.1-8.7-5, AS AMENDED BY P.L.219-2007,
 18 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 JANUARY 1, 2011]: Sec. 5. (a) If the department determines to assess
 20 an industrial facility pursuant to a petition filed under section ~~3(a); 3(b)~~
 21 ~~or 3(c) or 3(d)~~ of this chapter, the department shall schedule the
 22 assessment not later than six (6) months after receiving the petition.

23 (b) If the department determines to assess an industrial facility
 24 pursuant to a petition filed under section ~~3(b) 3(a)~~ of this chapter, the
 25 department shall schedule the assessment not later than three (3)
 26 months after the assessment date for which the petition was filed."

27 Page 10, between lines 28 and 29, begin a new paragraph and insert:

28 "SECTION 30. IC 6-1.1-12-19 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 19. The deduction
 30 from assessed value provided by section 18 of this chapter is first
 31 available in the year in which the increase in assessed value resulting
 32 from the rehabilitation occurs and shall continue for the following four
 33 (4) years. In the sixth (6th) year, the county auditor shall add the
 34 amount of the deduction to the assessed value of the real property. A
 35 **general reassessment of real property under a county's reassessment**
 36 **plan**, which occurs within the five (5) year period of the deduction,
 37 does not affect the amount of the deduction.

38 SECTION 31. IC 6-1.1-12-23 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 23. The deduction
 40 from assessed value provided by section 22 of this chapter is first
 41 available after the first assessment date following the rehabilitation and
 42 shall continue for the taxes first due and payable in the following five
 43 (5) years. In the sixth (6th) year, the county auditor shall add the
 44 amount of the deduction to the assessed value of the property. Any
 45 **general reassessment of real property under a county's reassessment**
 46 **plan**, which occurs within the five (5) year period of the deduction,

1 does not affect the amount of the deduction."

2 Page 13, between lines 24 and 25, begin a new paragraph and insert:

3 "SECTION 36. IC 6-1.1-12.1-4, AS AMENDED BY P.L.219-2007,
4 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JANUARY 1, 2011]: Sec. 4. (a) Except as provided in section 2(i)(4)
6 of this chapter, and subject to section 15 of this chapter, the amount of
7 the deduction which the property owner is entitled to receive under
8 section 3 of this chapter for a particular year equals the product of:

9 (1) the increase in the assessed value resulting from the
10 rehabilitation or redevelopment; multiplied by

11 (2) the percentage prescribed in the table set forth in subsection
12 (d).

13 (b) The amount of the deduction determined under subsection (a)
14 shall be adjusted in accordance with this subsection in the following
15 circumstances:

16 (1) If a ~~general~~ reassessment of real property **under a county's**
17 **reassessment plan** occurs within the particular period of the
18 deduction, the amount determined under subsection (a)(1) shall
19 be adjusted to reflect the percentage increase or decrease in
20 assessed valuation that resulted from the ~~general~~ reassessment.

21 (2) If an appeal of an assessment is approved that results in a
22 reduction of the assessed value of the redeveloped or rehabilitated
23 property, the amount of any deduction shall be adjusted to reflect
24 the percentage decrease that resulted from the appeal.

25 The department of local government finance shall adopt rules under
26 IC 4-22-2 to implement this subsection.

27 (c) Property owners who had an area designated an urban
28 development area pursuant to an application filed prior to January 1,
29 1979, are only entitled to the deduction for the first through the fifth
30 years as provided in subsection (d)(10). In addition, property owners
31 who are entitled to a deduction under this chapter pursuant to an
32 application filed after December 31, 1978, and before January 1, 1986,
33 are entitled to a deduction for the first through the tenth years, as
34 provided in subsection (d)(10).

35 (d) The percentage to be used in calculating the deduction under
36 subsection (a) is as follows:

37 (1) For deductions allowed over a one (1) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%

40 (2) For deductions allowed over a two (2) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	50%

44 (3) For deductions allowed over a three (3) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%

1	2nd	66%
2	3rd	33%
3	(4) For deductions allowed over a four (4) year period:	
4	YEAR OF DEDUCTION	PERCENTAGE
5	1st	100%
6	2nd	75%
7	3rd	50%
8	4th	25%
9	(5) For deductions allowed over a five (5) year period:	
10	YEAR OF DEDUCTION	PERCENTAGE
11	1st	100%
12	2nd	80%
13	3rd	60%
14	4th	40%
15	5th	20%
16	(6) For deductions allowed over a six (6) year period:	
17	YEAR OF DEDUCTION	PERCENTAGE
18	1st	100%
19	2nd	85%
20	3rd	66%
21	4th	50%
22	5th	34%
23	6th	17%
24	(7) For deductions allowed over a seven (7) year period:	
25	YEAR OF DEDUCTION	PERCENTAGE
26	1st	100%
27	2nd	85%
28	3rd	71%
29	4th	57%
30	5th	43%
31	6th	29%
32	7th	14%
33	(8) For deductions allowed over an eight (8) year period:	
34	YEAR OF DEDUCTION	PERCENTAGE
35	1st	100%
36	2nd	88%
37	3rd	75%
38	4th	63%
39	5th	50%
40	6th	38%
41	7th	25%
42	8th	13%
43	(9) For deductions allowed over a nine (9) year period:	
44	YEAR OF DEDUCTION	PERCENTAGE
45	1st	100%
46	2nd	88%

1	3rd	77%
2	4th	66%
3	5th	55%
4	6th	44%
5	7th	33%
6	8th	22%
7	9th	11%
8	(10) For deductions allowed over a ten (10) year period:	
9	YEAR OF DEDUCTION	PERCENTAGE
10	1st	100%
11	2nd	95%
12	3rd	80%
13	4th	65%
14	5th	50%
15	6th	40%
16	7th	30%
17	8th	20%
18	9th	10%
19	10th	5%

20 SECTION 37. IC 6-1.1-12.1-4.8, AS AMENDED BY P.L.219-2007,
 21 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JANUARY 1, 2011]: Sec. 4.8. (a) A property owner that is an applicant
 23 for a deduction under this section must provide a statement of benefits
 24 to the designating body.

25 (b) If the designating body requires information from the property
 26 owner for the designating body's use in deciding whether to designate
 27 an economic revitalization area, the property owner must provide the
 28 completed statement of benefits form to the designating body before
 29 the hearing required by section 2.5(c) of this chapter. Otherwise, the
 30 property owner must submit the completed statement of benefits form
 31 to the designating body before the occupation of the eligible vacant
 32 building for which the property owner desires to claim a deduction.

33 (c) The department of local government finance shall prescribe a
 34 form for the statement of benefits. The statement of benefits must
 35 include the following information:

- 36 (1) A description of the eligible vacant building that the property
 37 owner or a tenant of the property owner will occupy.
- 38 (2) An estimate of the number of individuals who will be
 39 employed or whose employment will be retained by the property
 40 owner or the tenant as a result of the occupation of the eligible
 41 vacant building, and an estimate of the annual salaries of those
 42 individuals.
- 43 (3) Information regarding efforts by the owner or a previous
 44 owner to sell, lease, or rent the eligible vacant building during the
 45 period the eligible vacant building was unoccupied.
- 46 (4) Information regarding the amount for which the eligible

1 vacant building was offered for sale, lease, or rent by the owner
2 or a previous owner during the period the eligible vacant building
3 was unoccupied.

4 (d) With the approval of the designating body, the statement of
5 benefits may be incorporated in a designation application. A statement
6 of benefits is a public record that may be inspected and copied under
7 IC 5-14-3.

8 (e) The designating body must review the statement of benefits
9 required by subsection (a). The designating body shall determine
10 whether an area should be designated an economic revitalization area
11 or whether a deduction should be allowed, after the designating body
12 has made the following findings:

13 (1) Whether the estimate of the number of individuals who will be
14 employed or whose employment will be retained can be
15 reasonably expected to result from the proposed occupation of the
16 eligible vacant building.

17 (2) Whether the estimate of the annual salaries of those
18 individuals who will be employed or whose employment will be
19 retained can be reasonably expected to result from the proposed
20 occupation of the eligible vacant building.

21 (3) Whether any other benefits about which information was
22 requested are benefits that can be reasonably expected to result
23 from the proposed occupation of the eligible vacant building.

24 (4) Whether the occupation of the eligible vacant building will
25 increase the tax base and assist in the rehabilitation of the
26 economic revitalization area.

27 (5) Whether the totality of benefits is sufficient to justify the
28 deduction.

29 A designating body may not designate an area an economic
30 revitalization area or approve a deduction under this section unless the
31 findings required by this subsection are made in the affirmative.

32 (f) Except as otherwise provided in this section, the owner of an
33 eligible vacant building located in an economic revitalization area is
34 entitled to a deduction from the assessed value of the building if the
35 property owner or a tenant of the property owner occupies the eligible
36 vacant building and uses it for commercial or industrial purposes. The
37 property owner is entitled to the deduction:

38 (1) for the first year in which the property owner or a tenant of the
39 property owner occupies the eligible vacant building and uses it
40 for commercial or industrial purposes; and

41 (2) for subsequent years determined under subsection (g).

42 (g) The designating body shall determine the number of years for
43 which a property owner is entitled to a deduction under this section.
44 However, subject to section 15 of this chapter, the deduction may not
45 be allowed for more than two (2) years. This determination shall be
46 made:

- 1 (1) as part of the resolution adopted under section 2.5 of this
- 2 chapter; or
- 3 (2) by a resolution adopted not more than sixty (60) days after the
- 4 designating body receives a copy of the property owner's
- 5 deduction application from the county auditor.

6 A certified copy of a resolution under subdivision (2) shall be sent to
 7 the county auditor, who shall make the deduction as provided in section
 8 5.3 of this chapter. A determination concerning the number of years the
 9 deduction is allowed that is made under subdivision (1) is final and
 10 may not be changed by using the procedure under subdivision (2).

11 (h) Except as provided in section 2(i)(5) of this chapter and
 12 subsection (k), and subject to section 15 of this chapter, the amount of
 13 the deduction the property owner is entitled to receive under this
 14 section for a particular year equals the product of:

- 15 (1) the assessed value of the building or part of the building that
- 16 is occupied by the property owner or a tenant of the property
- 17 owner; multiplied by
- 18 (2) the percentage set forth in the table in subsection (i).

19 (i) The percentage to be used in calculating the deduction under
 20 subsection (h) is as follows:

21 (1) For deductions allowed over a one (1) year period:	
22 YEAR OF DEDUCTION	PERCENTAGE
23 1st	100%
24 (2) For deductions allowed over a two (2) year period:	
25 YEAR OF DEDUCTION	PERCENTAGE
26 1st	100%
27 2nd	50%

28 (j) The amount of the deduction determined under subsection (h)
 29 shall be adjusted in accordance with this subsection in the following
 30 circumstances:

- 31 (1) If a ~~general~~ reassessment of real property **under a county's**
- 32 **reassessment plan** occurs within the period of the deduction, the
- 33 amount of the assessed value determined under subsection (h)(1)
- 34 shall be adjusted to reflect the percentage increase or decrease in
- 35 assessed valuation that resulted from the ~~general~~ reassessment.
- 36 (2) If an appeal of an assessment is approved and results in a
- 37 reduction of the assessed value of the property, the amount of a
- 38 deduction under this section shall be adjusted to reflect the
- 39 percentage decrease that resulted from the appeal.

40 (k) The maximum amount of a deduction under this section may not
 41 exceed the lesser of:

- 42 (1) the annual amount for which the eligible vacant building was
- 43 offered for lease or rent by the owner or a previous owner during
- 44 the period the eligible vacant building was unoccupied; or
- 45 (2) an amount, as determined by the designating body in its
- 46 discretion, that is equal to the annual amount for which similar

1 buildings in the county or contiguous counties were leased or
2 rented or offered for lease or rent during the period the eligible
3 vacant building was unoccupied.

4 (l) The department of local government finance may adopt rules
5 under IC 4-22-2 to implement this section.

6 SECTION 38. IC 6-1.1-12.4-2, AS AMENDED BY P.L.146-2008,
7 SECTION 130, IS AMENDED TO READ AS FOLLOWS
8 [EFFECTIVE JANUARY 1, 2011]: Sec. 2. (a) For purposes of this
9 section, an increase in the assessed value of real property is determined
10 in the same manner that an increase in the assessed value of real
11 property is determined for purposes of IC 6-1.1-12.1.

12 (b) This subsection applies only to a development, redevelopment,
13 or rehabilitation that is first assessed after March 1, 2005, and before
14 March 2, 2007. Except as provided in subsection (h) and sections 4, 5,
15 and 8 of this chapter, an owner of real property that:

- 16 (1) develops, redevelops, or rehabilitates the real property; and
- 17 (2) creates or retains employment from the development,
18 redevelopment, or rehabilitation;

19 is entitled to a deduction from the assessed value of the real property.

20 (c) Subject to section 14 of this chapter, the deduction under this
21 section is first available in the year in which the increase in assessed
22 value resulting from the development, redevelopment, or rehabilitation
23 occurs and continues for the following two (2) years. The amount of the
24 deduction that a property owner may receive with respect to real
25 property located in a county for a particular year equals the lesser of:

- 26 (1) two million dollars (\$2,000,000); or
- 27 (2) the product of:
 - 28 (A) the increase in assessed value resulting from the
 - 29 development, rehabilitation, or redevelopment; multiplied by
 - 30 (B) the percentage from the following table:

31 YEAR OF DEDUCTION	PERCENTAGE
32 1st	75%
33 2nd	50%
34 3rd	25%

35 (d) A property owner that qualifies for the deduction under this
36 section must file a notice to claim the deduction in the manner
37 prescribed by the department of local government finance under rules
38 adopted by the department of local government finance under
39 IC 4-22-2 to implement this chapter. The township assessor, or the
40 county assessor if there is no township assessor for the township, shall:

- 41 (1) inform the county auditor of the real property eligible for the
42 deduction as contained in the notice filed by the taxpayer under
43 this subsection; and
- 44 (2) inform the county auditor of the deduction amount.

45 (e) The county auditor shall:
46 (1) make the deductions; and

1 (2) notify the county property tax assessment board of appeals of
 2 all deductions approved;
 3 under this section.

4 (f) The amount of the deduction determined under subsection (c)(2)
 5 is adjusted to reflect the percentage increase or decrease in assessed
 6 valuation that results from:

7 (1) a ~~general~~ reassessment of real property **under a county's**
 8 **reassessment plan** under IC 6-1.1-4-4; or

9 (2) an annual adjustment under IC 6-1.1-4-4.5.

10 (g) If an appeal of an assessment is approved that results in a
 11 reduction of the assessed value of the real property, the amount of the
 12 deduction under this section is adjusted to reflect the percentage
 13 decrease that results from the appeal.

14 (h) The deduction under this section does not apply to a facility
 15 listed in IC 6-1.1-12.1-3(e).

16 SECTION 39. IC 6-1.1-13-6 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 6. A county
 18 assessor shall inquire into the assessment of the classes of tangible
 19 property in the ~~various townships of the county~~ **group of parcels**
 20 **under a county's reassessment plan** after March 1 in the year in
 21 which the ~~general~~ **reassessment of tangible property in that group of**
 22 **parcels** becomes effective. The county assessor shall make any
 23 changes, whether increases or decreases, in the assessed values which
 24 are necessary in order to equalize these values in ~~and between the~~
 25 ~~various townships of the county:~~ **that group**. In addition, the county
 26 assessor shall determine the percent to be added to or deducted from
 27 the assessed values in order to make a just, equitable, and uniform
 28 equalization of assessments in ~~and between the townships of the~~
 29 ~~county:~~ **that group**.

30 SECTION 40. IC 6-1.1-13-7 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 7. If a county
 32 assessor proposes to change assessments under section 6 of this
 33 chapter, the property tax assessment board of appeals shall hold a
 34 hearing on the proposed changes before July 15 in the year in which a
 35 ~~general assessment~~ **reassessment of a group of parcels under a**
 36 **county's reassessment plan** is to commence. It is sufficient notice of
 37 the hearing and of any changes in assessments ordered by the board
 38 subsequent to the hearing if the board gives notice by publication once
 39 either in:

40 (1) two (2) newspapers which represent different political parties
 41 and which are published in the county; or

42 (2) one (1) newspaper only, if two (2) newspapers which
 43 represent different political parties are not published in the
 44 county.

45 SECTION 41. IC 6-1.1-15-4, AS AMENDED BY P.L.219-2007,
 46 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

1 JANUARY 1, 2011]: Sec. 4. (a) After receiving a petition for review
 2 which is filed under section 3 of this chapter, the Indiana board shall
 3 conduct a hearing at its earliest opportunity. The Indiana board may
 4 correct any errors that may have been made and adjust the assessment
 5 or exemption in accordance with the correction.

6 (b) If the Indiana board conducts a site inspection of the property as
 7 part of its review of the petition, the Indiana board shall give notice to
 8 all parties of the date and time of the site inspection. The Indiana board
 9 is not required to assess the property in question. The Indiana board
 10 shall give notice of the date fixed for the hearing, by mail, to the
 11 taxpayer and to the county assessor. The Indiana board shall give these
 12 notices at least thirty (30) days before the day fixed for the hearing
 13 unless the parties agree to a shorter period. With respect to a petition
 14 for review filed by a county assessor, the county board that made the
 15 determination under review under this section may file an amicus
 16 curiae brief in the review proceeding under this section. The expenses
 17 incurred by the county board in filing the amicus curiae brief shall be
 18 paid from the property reassessment fund under IC 6-1.1-4-27.5. The
 19 executive of a taxing unit may file an amicus curiae brief in the review
 20 proceeding under this section if the property whose assessment or
 21 exemption is under appeal is subject to assessment by that taxing unit.

22 (c) If a petition for review does not comply with the Indiana board's
 23 instructions for completing the form prescribed under section 3 of this
 24 chapter, the Indiana board shall return the petition to the petitioner and
 25 include a notice describing the defect in the petition. The petitioner
 26 then has thirty (30) days from the date on the notice to cure the defect
 27 and file a corrected petition. The Indiana board shall deny a corrected
 28 petition for review if it does not substantially comply with the Indiana
 29 board's instructions for completing the form prescribed under section
 30 3 of this chapter.

31 (d) After the hearing, the Indiana board shall give the taxpayer, the
 32 county assessor, and any entity that filed an amicus curiae brief:

- 33 (1) notice, by mail, of its final determination; and
- 34 (2) for parties entitled to appeal the final determination, notice of
 35 the procedures they must follow in order to obtain court review
 36 under section 5 of this chapter.

37 (e) Except as provided in subsection (f), the Indiana board shall
 38 conduct a hearing not later than nine (9) months after a petition in
 39 proper form is filed with the Indiana board, excluding any time due to
 40 a delay reasonably caused by the petitioner.

41 (f) With respect to an appeal of a real property assessment that takes
 42 effect on the assessment date on which a ~~general~~ reassessment of real
 43 property **under a county's reassessment plan** takes effect under
 44 IC 6-1.1-4-4, the Indiana board shall conduct a hearing not later than
 45 one (1) year after a petition in proper form is filed with the Indiana
 46 board, excluding any time due to a delay reasonably caused by the

- 1 petitioner.
- 2 (g) Except as provided in subsection (h), the Indiana board shall
3 make a determination not later than the later of:
- 4 (1) ninety (90) days after the hearing; or
5 (2) the date set in an extension order issued by the Indiana board.
- 6 (h) With respect to an appeal of a real property assessment that
7 takes effect on the assessment date on which a ~~general~~ reassessment of
8 real property **under a county's reassessment plan** takes effect under
9 IC 6-1.1-4-4, the Indiana board shall make a determination not later
10 than the later of:
- 11 (1) one hundred eighty (180) days after the hearing; or
12 (2) the date set in an extension order issued by the Indiana board.
- 13 (i) The Indiana board may not extend the final determination date
14 under subsection (g) or (h) by more than one hundred eighty (180)
15 days. If the Indiana board fails to make a final determination within the
16 time allowed by this section, the entity that initiated the petition may:
- 17 (1) take no action and wait for the Indiana board to make a final
18 determination; or
19 (2) petition for judicial review under section 5 of this chapter.
- 20 (j) A final determination must include separately stated findings of
21 fact for all aspects of the determination. Findings of ultimate fact must
22 be accompanied by a concise statement of the underlying basic facts of
23 record to support the findings. Findings must be based exclusively
24 upon the evidence on the record in the proceeding and on matters
25 officially noticed in the proceeding. Findings must be based upon a
26 preponderance of the evidence.
- 27 (k) The Indiana board may limit the scope of the appeal to the issues
28 raised in the petition and the evaluation of the evidence presented to
29 the county board in support of those issues only if all parties
30 participating in the hearing required under subsection (a) agree to the
31 limitation. A party participating in the hearing required under
32 subsection (a) is entitled to introduce evidence that is otherwise proper
33 and admissible without regard to whether that evidence has previously
34 been introduced at a hearing before the county board.
- 35 (l) The Indiana board may require the parties to the appeal:
- 36 (1) to file not more than five (5) business days before the date of
37 the hearing required under subsection (a) documentary evidence
38 or summaries of statements of testimonial evidence; and
39 (2) to file not more than fifteen (15) business days before the date
40 of the hearing required under subsection (a) lists of witnesses and
41 exhibits to be introduced at the hearing.
- 42 (m) A party to a proceeding before the Indiana board shall provide
43 to all other parties to the proceeding the information described in
44 subsection (l) if the other party requests the information in writing at
45 least ten (10) days before the deadline for filing of the information
46 under subsection (l).

1 (n) The Indiana board may base its final determination on a
 2 stipulation between the respondent and the petitioner. If the final
 3 determination is based on a stipulated assessed valuation of tangible
 4 property, the Indiana board may order the placement of a notation on
 5 the permanent assessment record of the tangible property that the
 6 assessed valuation was determined by stipulation. The Indiana board
 7 may:

8 (1) order that a final determination under this subsection has no
 9 precedential value; or

10 (2) specify a limited precedential value of a final determination
 11 under this subsection.

12 SECTION 42. IC 6-1.1-17-1, AS AMENDED BY P.L.146-2008,
 13 SECTION 146, IS AMENDED TO READ AS FOLLOWS
 14 [EFFECTIVE JANUARY 1, 2011]: Sec. 1. (a) On or before August 1
 15 of each year, the county auditor shall send a certified statement, under
 16 the seal of the board of county commissioners, to the fiscal officer of
 17 each political subdivision of the county and the department of local
 18 government finance. The statement shall contain:

19 (1) information concerning the assessed valuation in the political
 20 subdivision for the next calendar year;

21 (2) an estimate of the taxes to be distributed to the political
 22 subdivision during the last six (6) months of the current calendar
 23 year;

24 (3) the current assessed valuation as shown on the abstract of
 25 charges;

26 (4) the average growth in assessed valuation in the political
 27 subdivision over the preceding three (3) budget years; ~~excluding~~
 28 ~~years in which a general reassessment occurs, determined~~
 29 ~~according to procedures established by the department of local~~
 30 ~~government finance;~~

31 (5) the amount of the political subdivision's assessed valuation
 32 reduction determined under section 0.5(d) of this chapter;

33 (6) for counties with taxing units that cross into or intersect with
 34 other counties, the assessed valuation as shown on the most
 35 current abstract of property; and

36 (7) any other information at the disposal of the county auditor that
 37 might affect the assessed value used in the budget adoption
 38 process.

39 (b) The estimate of taxes to be distributed shall be based on:

40 (1) the abstract of taxes levied and collectible for the current
 41 calendar year, less any taxes previously distributed for the
 42 calendar year; and

43 (2) any other information at the disposal of the county auditor
 44 which might affect the estimate.

45 (c) The fiscal officer of each political subdivision shall present the
 46 county auditor's statement to the proper officers of the political

1 subdivision.

2 (d) Subject to subsection (e) and except as provided in subsection
3 (f), after the county auditor sends a certified statement under subsection
4 (a) or an amended certified statement under this subsection with
5 respect to a political subdivision and before the department of local
6 government finance certifies its action with respect to the political
7 subdivision under section 16(f) of this chapter, the county auditor may
8 amend the information concerning assessed valuation included in the
9 earlier certified statement. The county auditor shall send a certified
10 statement amended under this subsection, under the seal of the board
11 of county commissioners, to:

12 (1) the fiscal officer of each political subdivision affected by the
13 amendment; and

14 (2) the department of local government finance.

15 (e) Except as provided in subsection (g), before the county auditor
16 makes an amendment under subsection (d), the county auditor must
17 provide an opportunity for public comment on the proposed
18 amendment at a public hearing. The county auditor must give notice of
19 the hearing under IC 5-3-1. If the county auditor makes the amendment
20 as a result of information provided to the county auditor by an assessor,
21 the county auditor shall give notice of the public hearing to the
22 assessor.

23 (f) Subsection (d) does not apply to an adjustment of assessed
24 valuation under IC 36-7-15.1-26.9(d) (**repealed**).

25 (g) The county auditor is not required to hold a public hearing under
26 subsection (e) if:

27 (1) the amendment under subsection (d) is proposed to correct a
28 mathematical error made in the determination of the amount of
29 assessed valuation included in the earlier certified statement;

30 (2) the amendment under subsection (d) is proposed to add to the
31 amount of assessed valuation included in the earlier certified
32 statement assessed valuation of omitted property discovered after
33 the county auditor sent the earlier certified statement; or

34 (3) the county auditor determines that the amendment under
35 subsection (d) will not result in an increase in the tax rate or tax
36 rates of the political subdivision.

37 SECTION 43. IC 6-1.1-18-12, AS AMENDED BY P.L.146-2008,
38 SECTION 168, IS AMENDED TO READ AS FOLLOWS
39 [EFFECTIVE JANUARY 1, 2011]: Sec. 12. (a) For purposes of this
40 section, "maximum rate" refers to the maximum:

41 (1) property tax rate or rates; or

42 (2) special benefits tax rate or rates;

43 referred to in the statutes listed in subsection (d).

44 (b) The maximum rate for taxes first due and payable after 2003 is
45 the maximum rate that would have been determined under subsection
46 (e) for taxes first due and payable in 2003 if subsection (e) had applied

- 1 for taxes first due and payable in 2003.
- 2 (c) The maximum rate must be adjusted each year to account for the
- 3 change in assessed value of real property that results from:
- 4 (1) an annual adjustment of the assessed value of real property
- 5 under IC 6-1.1-4-4.5; or
- 6 (2) a ~~general~~ reassessment of real property **under a county's**
- 7 **reassessment plan** under IC 6-1.1-4-4.
- 8 (d) The statutes to which subsection (a) refers are:
- 9 (1) IC 8-10-5-17;
- 10 (2) IC 8-22-3-11;
- 11 (3) IC 8-22-3-25;
- 12 (4) IC 12-29-1-1;
- 13 (5) IC 12-29-1-2;
- 14 (6) IC 12-29-1-3;
- 15 (7) IC 12-29-3-6;
- 16 (8) IC 13-21-3-12;
- 17 (9) IC 13-21-3-15;
- 18 (10) IC 14-27-6-30;
- 19 (11) IC 14-33-7-3;
- 20 (12) IC 14-33-21-5;
- 21 (13) IC 15-14-7-4;
- 22 (14) IC 15-14-9-1;
- 23 (15) IC 15-14-9-2;
- 24 (16) IC 16-20-2-18;
- 25 (17) IC 16-20-4-27;
- 26 (18) IC 16-20-7-2;
- 27 (19) IC 16-22-14;
- 28 (20) IC 16-23-1-29;
- 29 (21) IC 16-23-3-6;
- 30 (22) IC 16-23-4-2;
- 31 (23) IC 16-23-5-6;
- 32 (24) IC 16-23-7-2;
- 33 (25) IC 16-23-8-2;
- 34 (26) IC 16-23-9-2;
- 35 (27) IC 16-41-15-5;
- 36 (28) IC 16-41-33-4;
- 37 (29) IC 20-46-2-3 (before its repeal on January 1, 2009);
- 38 (30) IC 20-46-6-5;
- 39 (31) IC 20-49-2-10;
- 40 (32) IC 36-1-19-1;
- 41 (33) IC 23-14-66-2;
- 42 (34) IC 23-14-67-3;
- 43 (35) IC 36-7-13-4;
- 44 (36) IC 36-7-14-28;
- 45 (37) IC 36-7-15.1-16;
- 46 (38) IC 36-8-19-8.5;

- 1 (39) IC 36-9-6.1-2;
 2 (40) IC 36-9-17.5-4;
 3 (41) IC 36-9-27-73;
 4 (42) IC 36-9-29-31;
 5 (43) IC 36-9-29.1-15;
 6 (44) IC 36-10-6-2;
 7 (45) IC 36-10-7-7;
 8 (46) IC 36-10-7-8;
 9 (47) IC 36-10-7.5-19;
 10 (48) IC 36-10-13-5;
 11 (49) IC 36-10-13-7;
 12 (50) IC 36-10-14-4;
 13 (51) IC 36-12-7-7;
 14 (52) IC 36-12-7-8;
 15 (53) IC 36-12-12-10; and
 16 (54) any statute enacted after December 31, 2003, that:
 17 (A) establishes a maximum rate for any part of the:
 18 (i) property taxes; or
 19 (ii) special benefits taxes;
 20 imposed by a political subdivision; and
 21 (B) does not exempt the maximum rate from the adjustment
 22 under this section.
 23 (e) The new maximum rate under a statute listed in subsection (d)
 24 is the tax rate determined under STEP SEVEN of the following STEPS:
 25 STEP ONE: Determine the maximum rate for the political
 26 subdivision levying a property tax or special benefits tax under
 27 the statute for the year preceding the year in which the annual
 28 adjustment or ~~general~~ reassessment **under a county's**
 29 **reassessment plan** takes effect.
 30 STEP TWO: Determine the actual percentage increase (rounded
 31 to the nearest one-hundredth percent (0.01%)) in the assessed
 32 value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the
 33 taxable property from the year preceding the year the annual
 34 adjustment or ~~general~~ reassessment **under a county's**
 35 **reassessment plan** takes effect to the year that the annual
 36 adjustment or ~~general~~ reassessment takes effect.
 37 STEP THREE: Determine the three (3) calendar years that
 38 immediately precede the ensuing calendar year. ~~and in which a~~
 39 ~~statewide general reassessment of real property does not first take~~
 40 ~~effect.~~
 41 STEP FOUR: Compute separately, for each of the calendar years
 42 determined in STEP THREE, the actual percentage increase
 43 (rounded to the nearest one-hundredth percent (0.01%)) in the
 44 assessed value (before the adjustment, if any, under
 45 IC 6-1.1-4-4.5) of the taxable property from the preceding year.
 46 STEP FIVE: Divide the sum of the three (3) quotients computed

- 1 in STEP FOUR by three (3).
 2 STEP SIX: Determine the greater of the following:
 3 (A) Zero (0).
 4 (B) The result of the STEP TWO percentage minus the STEP
 5 FIVE percentage.
 6 STEP SEVEN: Determine the quotient of the STEP ONE tax rate
 7 divided by the sum of one (1) plus the STEP SIX percentage
 8 increase.
 9 (f) The department of local government finance shall compute the
 10 maximum rate allowed under subsection (e) and provide the rate to
 11 each political subdivision with authority to levy a tax under a statute
 12 listed in subsection (d).
 13 SECTION 44. IC 6-1.1-18-13, AS AMENDED BY P.L.219-2007,
 14 SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JANUARY 1, 2011]: Sec. 13. (a) The maximum property tax rate
 16 levied under IC 20-46-6 by each school corporation for the school
 17 corporation's capital projects fund must be adjusted each year to
 18 account for the change in assessed value of real property that results
 19 from:
 20 (1) an annual adjustment of the assessed value of real property
 21 under IC 6-1.1-4-4.5; or
 22 (2) a ~~general~~ reassessment of real property **under a county's**
 23 **reassessment plan** under IC 6-1.1-4-4.
 24 (b) The new maximum rate under this section is the tax rate
 25 determined under STEP SEVEN of the following formula:
 26 STEP ONE: Determine the maximum rate for the school
 27 corporation for the year preceding the year in which the annual
 28 adjustment or ~~general~~ reassessment **under a county's**
 29 **reassessment plan** takes effect.
 30 STEP TWO: Determine the actual percentage increase (rounded
 31 to the nearest one-hundredth percent (0.01%)) in the assessed
 32 value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the
 33 taxable property from the year preceding the year the annual
 34 adjustment or ~~general~~ reassessment **under a county's**
 35 **reassessment plan** takes effect to the year that the annual
 36 adjustment or ~~general~~ reassessment is effective.
 37 STEP THREE: Determine the three (3) calendar years that
 38 immediately precede the ensuing calendar year. ~~and in which a~~
 39 ~~statewide general reassessment of real property does not first~~
 40 ~~become effective.~~
 41 STEP FOUR: Compute separately, for each of the calendar years
 42 determined in STEP THREE, the actual percentage increase
 43 (rounded to the nearest one-hundredth percent (0.01%)) in the
 44 assessed value (before the adjustment, if any, under
 45 IC 6-1.1-4-4.5) of the taxable property from the preceding year.
 46 STEP FIVE: Divide the sum of the three (3) quotients computed

- 1 in STEP FOUR by three (3).
 2 STEP SIX: Determine the greater of the following:
 3 (A) Zero (0).
 4 (B) The result of the STEP TWO percentage minus the STEP
 5 FIVE percentage.
 6 STEP SEVEN: Determine the quotient of the STEP ONE tax rate
 7 divided by the sum of one (1) plus the STEP SIX percentage
 8 increase.
 9 (c) The department of local government finance shall compute the
 10 maximum rate allowed under subsection (b) and provide the rate to
 11 each school corporation."
 12 Page 14, line 34, strike "general".
 13 Page 14, line 35, after "reassessment" insert "**under a county's**
 14 **reassessment plan**".
 15 Page 14, between lines 35 and 36, begin a new paragraph and insert:
 16 "SECTION 46. IC 6-1.1-18.5-9.8, AS AMENDED BY
 17 P.L.219-2007, SECTION 55, IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 9.8. (a) For
 19 purposes of determining the property tax levy limit imposed on a city,
 20 town, or county under section 3 of this chapter, the city, town, or
 21 county's ad valorem property tax levy for a particular calendar year
 22 does not include an amount equal to the lesser of:
 23 (1) the amount of ad valorem property taxes that would be first
 24 due and payable to the city, town, or county during the ensuing
 25 calendar year if the taxing unit imposed the maximum permissible
 26 property tax rate per one hundred dollars (\$100) of assessed
 27 valuation that the civil taxing unit may impose for the particular
 28 calendar year under the authority of IC 36-9-14.5 (in the case of
 29 a county) or IC 36-9-15.5 (in the case of a city or town); or
 30 (2) the excess, if any, of:
 31 (A) the property taxes imposed by the city, town, or county
 32 under the authority of:
 33 IC 3-11-6-9;
 34 IC 8-16-3;
 35 IC 8-16-3.1;
 36 IC 8-22-3-25;
 37 IC 14-27-6-48;
 38 IC 14-33-9-3;
 39 IC 16-22-8-41;
 40 IC 16-22-5-2 through IC 16-22-5-15;
 41 IC 16-23-1-40;
 42 IC 36-8-14;
 43 IC 36-9-4-48;
 44 IC 36-9-14;
 45 IC 36-9-14.5;
 46 IC 36-9-15;

- 1 IC 36-9-15.5;
 2 IC 36-9-16;
 3 IC 36-9-16.5;
 4 IC 36-9-17;
 5 IC 36-9-26;
 6 IC 36-9-27-100;
 7 IC 36-10-3-21; or
 8 IC 36-10-4-36;
 9 that are first due and payable during the ensuing calendar year;
 10 over
 11 (B) the property taxes imposed by the city, town, or county
 12 under the authority of the citations listed in clause (A) that
 13 were first due and payable during calendar year 1984.
- 14 (b) The maximum property tax rate levied under the statutes listed
 15 in subsection (a) must be adjusted each year to account for the change
 16 in assessed value of real property that results from:
 17 (1) an annual adjustment of the assessed value of real property
 18 under IC 6-1.1-4-4.5; or
 19 (2) a ~~general~~ reassessment of real property **under a county's**
 20 **reassessment plan** under IC 6-1.1-4-4.
- 21 (c) The new maximum rate under a statute listed in subsection (a)
 22 is the tax rate determined under STEP SEVEN of the following
 23 formula:
 24 STEP ONE: Determine the maximum rate for the political
 25 subdivision levying a property tax under the statute for the year
 26 preceding the year in which the annual adjustment or ~~general~~
 27 reassessment **under a county's reassessment plan** takes effect.
 28 STEP TWO: Determine the actual percentage increase (rounded
 29 to the nearest one-hundredth percent (0.01%)) in the assessed
 30 value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the
 31 taxable property from the year preceding the year the annual
 32 adjustment or ~~general~~ reassessment **under a county's**
 33 **reassessment plan** takes effect to the year that the annual
 34 adjustment or ~~general~~ reassessment is effective.
 35 STEP THREE: Determine the three (3) calendar years that
 36 immediately precede the ensuing calendar year. ~~and in which a~~
 37 ~~statewide general reassessment of real property does not first~~
 38 ~~become effective.~~
 39 STEP FOUR: Compute separately, for each of the calendar years
 40 determined in STEP THREE, the actual percentage increase
 41 (rounded to the nearest one-hundredth percent (0.01%)) in the
 42 assessed value (before the adjustment, if any, under
 43 IC 6-1.1-4-4.5) of the taxable property from the preceding year.
 44 STEP FIVE: Divide the sum of the three (3) quotients computed
 45 in STEP FOUR by three (3).
 46 STEP SIX: Determine the greater of the following:

- 1 (A) Zero (0).
 2 (B) The result of the STEP TWO percentage minus the STEP
 3 FIVE percentage.
 4 STEP SEVEN: Determine the quotient of the STEP ONE tax rate
 5 divided by the sum of one (1) plus the STEP SIX percentage
 6 increase.
 7 (d) The department of local government finance shall compute the
 8 maximum rate allowed under subsection (c) and provide the rate to
 9 each political subdivision with authority to levy a tax under a statute
 10 listed in subsection (a).
 11 SECTION 47. IC 6-1.1-18.5-10, AS AMENDED BY
 12 P.L.182-2009(ss), SECTION 128, IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 10. (a) The ad
 14 valorem property tax levy limits imposed by section 3 of this chapter
 15 do not apply to ad valorem property taxes imposed by a civil taxing
 16 unit to be used to fund:
 17 (1) community mental health centers under:
 18 (A) IC 12-29-2-1.2, for only those civil taxing units that
 19 authorized financial assistance under IC 12-29-1 before 2002
 20 for a community mental health center as long as the tax levy
 21 under this section does not exceed the levy authorized in 2002;
 22 (B) IC 12-29-2-2 through IC 12-29-2-5; and
 23 (C) IC 12-29-2-13; or
 24 (2) community mental retardation and other developmental
 25 disabilities centers under IC 12-29-1-1;
 26 to the extent that those property taxes are attributable to any increase
 27 in the assessed value of the civil taxing unit's taxable property caused
 28 by a general reassessment of real property **or reassessment of real**
 29 **property under a county's reassessment plan** that took effect after
 30 February 28, 1979.
 31 (b) For purposes of computing the ad valorem property tax levy
 32 limits imposed on a civil taxing unit by section 3 of this chapter, the
 33 civil taxing unit's ad valorem property tax levy for a particular calendar
 34 year does not include that part of the levy described in subsection (a).
 35 (c) This subsection applies to property taxes first due and payable
 36 after December 31, 2008. Notwithstanding subsections (a) and (b) or
 37 any other law, any property taxes imposed by a civil taxing unit that are
 38 exempted by this section from the ad valorem property tax levy limits
 39 imposed by section 3 of this chapter may not increase annually by a
 40 percentage greater than the result of:
 41 (1) the assessed value growth quotient determined under section
 42 2 of this chapter; minus
 43 (2) one (1).
 44 (d) For a county that:
 45 (1) did not impose an ad valorem property tax levy in 2008 for the
 46 county general fund to provide financial assistance under

1 IC 12-29-1 (community mental retardation and other
 2 developmental disabilities center) or IC 12-29-2 (community
 3 mental health center); and
 4 (2) determines for 2009 or a later calendar year to impose a levy
 5 as described in subdivision (1);

6 the ad valorem property tax levy limits imposed under section 3 of this
 7 chapter do not apply to the part of the county's general fund levy that
 8 is used in the first calendar year for which a determination is made
 9 under subdivision (2) to provide financial assistance under IC 12-29-1
 10 or IC 12-29-2. The department of local government finance shall
 11 review a county's proposed budget that is submitted under IC 12-29-1-1
 12 or IC 12-29-2-1.2 and make a final determination of the amount to
 13 which the levy limits do not apply under this subsection for the first
 14 calendar year for which a determination is made under subdivision (2).

15 (e) The ad valorem property tax levy limits imposed under section
 16 3 of this chapter do not apply to the county's general fund levy in the
 17 amount determined by the department of local government finance
 18 under subsection (d) in each calendar year following the calendar year
 19 for which the determination under subsection (b) is made."

20 Page 16, between lines 31 and 32, begin a new paragraph and insert:
 21 "SECTION 49. IC 6-1.1-18.5-13, AS AMENDED BY
 22 P.L.182-2009(ss), SECTION 131, IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 13. With respect
 24 to an appeal filed under section 12 of this chapter, the department may
 25 find that a civil taxing unit should receive any one (1) or more of the
 26 following types of relief:

27 (1) Permission to the civil taxing unit to increase its levy in excess
 28 of the limitations established under section 3 of this chapter, if in
 29 the judgment of the department the increase is reasonably
 30 necessary due to increased costs of the civil taxing unit resulting
 31 from annexation, consolidation, or other extensions of
 32 governmental services by the civil taxing unit to additional
 33 geographic areas or persons. With respect to annexation,
 34 consolidation, or other extensions of governmental services in a
 35 calendar year, if those increased costs are incurred by the civil
 36 taxing unit in that calendar year and more than one (1)
 37 immediately succeeding calendar year, the unit may appeal under
 38 section 12 of this chapter for permission to increase its levy under
 39 this subdivision based on those increased costs in any of the
 40 following:

41 (A) The first calendar year in which those costs are incurred.
 42 (B) One (1) or more of the immediately succeeding four (4)
 43 calendar years.

44 (2) A levy increase may not be granted under this subdivision for
 45 property taxes first due and payable after December 31, 2008.
 46 Permission to the civil taxing unit to increase its levy in excess of

1 the limitations established under section 3 of this chapter, if the
 2 local government tax control board finds that the civil taxing unit
 3 needs the increase to meet the civil taxing unit's share of the costs
 4 of operating a court established by statute enacted after December
 5 31, 1973. Before recommending such an increase, the local
 6 government tax control board shall consider all other revenues
 7 available to the civil taxing unit that could be applied for that
 8 purpose. The maximum aggregate levy increases that the local
 9 government tax control board may recommend for a particular
 10 court equals the civil taxing unit's estimate of the unit's share of
 11 the costs of operating a court for the first full calendar year in
 12 which it is in existence. For purposes of this subdivision, costs of
 13 operating a court include:

14 (A) the cost of personal services (including fringe benefits);

15 (B) the cost of supplies; and

16 (C) any other cost directly related to the operation of the court.

17 (3) Permission to the civil taxing unit to increase its levy in excess
 18 of the limitations established under section 3 of this chapter, if the
 19 department finds that the quotient determined under STEP SIX of
 20 the following formula is equal to or greater than one and
 21 two-hundredths (1.02):

22 STEP ONE: Determine the three (3) calendar years that most
 23 immediately precede the ensuing calendar year. ~~and in which~~
 24 ~~a statewide general reassessment of real property or the initial~~
 25 ~~annual adjustment of the assessed value of real property under~~
 26 ~~IC 6-1.1-4-4.5 does not first become effective.~~

27 STEP TWO: Compute separately, for each of the calendar
 28 years determined in STEP ONE, the quotient (rounded to the
 29 nearest ten-thousandth (0.0001)) of the sum of the civil taxing
 30 unit's total assessed value of all taxable property and:

31 (i) for a particular calendar year before 2007, the total
 32 assessed value of property tax deductions in the unit under
 33 IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar
 34 year; or

35 (ii) for a particular calendar year after 2006, the total
 36 assessed value of property tax deductions that applied in the
 37 unit under IC 6-1.1-12-42 in 2006 plus for a particular
 38 calendar year after 2009, the total assessed value of property
 39 tax deductions that applied in the unit under
 40 IC 6-1.1-12-37.5 in 2008;

41 divided by the sum determined under this STEP for the
 42 calendar year immediately preceding the particular calendar
 43 year.

44 STEP THREE: Divide the sum of the three (3) quotients
 45 computed in STEP TWO by three (3).

46 STEP FOUR: Compute separately, for each of the calendar

1 years determined in STEP ONE, the quotient (rounded to the
2 nearest ten-thousandth (0.0001)) of the sum of the total
3 assessed value of all taxable property in all counties and:

4 (i) for a particular calendar year before 2007, the total
5 assessed value of property tax deductions in all counties
6 under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular
7 calendar year; or

8 (ii) for a particular calendar year after 2006, the total
9 assessed value of property tax deductions that applied in all
10 counties under IC 6-1.1-12-42 in 2006 plus for a particular
11 calendar year after 2009, the total assessed value of property
12 tax deductions that applied in the unit under
13 IC 6-1.1-12-37.5 in 2008;

14 divided by the sum determined under this STEP for the
15 calendar year immediately preceding the particular calendar
16 year.

17 STEP FIVE: Divide the sum of the three (3) quotients
18 computed in STEP FOUR by three (3).

19 STEP SIX: Divide the STEP THREE amount by the STEP
20 FIVE amount.

21 The civil taxing unit may increase its levy by a percentage not
22 greater than the percentage by which the STEP THREE amount
23 exceeds the percentage by which the civil taxing unit may
24 increase its levy under section 3 of this chapter based on the
25 assessed value growth quotient determined under section 2 of this
26 chapter.

27 (4) A levy increase may not be granted under this subdivision for
28 property taxes first due and payable after December 31, 2008.
29 Permission to the civil taxing unit to increase its levy in excess of
30 the limitations established under section 3 of this chapter, if the
31 local government tax control board finds that the civil taxing unit
32 needs the increase to pay the costs of furnishing fire protection for
33 the civil taxing unit through a volunteer fire department. For
34 purposes of determining a township's need for an increased levy,
35 the local government tax control board shall not consider the
36 amount of money borrowed under IC 36-6-6-14 during the
37 immediately preceding calendar year. However, any increase in
38 the amount of the civil taxing unit's levy recommended by the
39 local government tax control board under this subdivision for the
40 ensuing calendar year may not exceed the lesser of:

41 (A) ten thousand dollars (\$10,000); or

42 (B) twenty percent (20%) of:

43 (i) the amount authorized for operating expenses of a
44 volunteer fire department in the budget of the civil taxing
45 unit for the immediately preceding calendar year; plus

46 (ii) the amount of any additional appropriations authorized

- 1 during that calendar year for the civil taxing unit's use in
 2 paying operating expenses of a volunteer fire department
 3 under this chapter; minus
 4 (iii) the amount of money borrowed under IC 36-6-6-14
 5 during that calendar year for the civil taxing unit's use in
 6 paying operating expenses of a volunteer fire department.
- 7 (5) A levy increase may not be granted under this subdivision for
 8 property taxes first due and payable after December 31, 2008.
 9 Permission to a civil taxing unit to increase its levy in excess of
 10 the limitations established under section 3 of this chapter in order
 11 to raise revenues for pension payments and contributions the civil
 12 taxing unit is required to make under IC 36-8. The maximum
 13 increase in a civil taxing unit's levy that may be recommended
 14 under this subdivision for an ensuing calendar year equals the
 15 amount, if any, by which the pension payments and contributions
 16 the civil taxing unit is required to make under IC 36-8 during the
 17 ensuing calendar year exceeds the product of one and one-tenth
 18 (1.1) multiplied by the pension payments and contributions made
 19 by the civil taxing unit under IC 36-8 during the calendar year that
 20 immediately precedes the ensuing calendar year. For purposes of
 21 this subdivision, "pension payments and contributions made by a
 22 civil taxing unit" does not include that part of the payments or
 23 contributions that are funded by distributions made to a civil
 24 taxing unit by the state.
- 25 (6) A levy increase may not be granted under this subdivision for
 26 property taxes first due and payable after December 31, 2008.
 27 Permission to increase its levy in excess of the limitations
 28 established under section 3 of this chapter if the local government
 29 tax control board finds that:
- 30 (A) the township's township assistance ad valorem property
 31 tax rate is less than one and sixty-seven hundredths cents
 32 (\$0.0167) per one hundred dollars (\$100) of assessed
 33 valuation; and
- 34 (B) the township needs the increase to meet the costs of
 35 providing township assistance under IC 12-20 and IC 12-30-4.
 36 The maximum increase that the board may recommend for a
 37 township is the levy that would result from an increase in the
 38 township's township assistance ad valorem property tax rate of
 39 one and sixty-seven hundredths cents (\$0.0167) per one hundred
 40 dollars (\$100) of assessed valuation minus the township's ad
 41 valorem property tax rate per one hundred dollars (\$100) of
 42 assessed valuation before the increase.
- 43 (7) A levy increase may not be granted under this subdivision for
 44 property taxes first due and payable after December 31, 2008.
 45 Permission to a civil taxing unit to increase its levy in excess of
 46 the limitations established under section 3 of this chapter if:

- 1 (A) the increase has been approved by the legislative body of
 2 the municipality with the largest population where the civil
 3 taxing unit provides public transportation services; and
 4 (B) the local government tax control board finds that the civil
 5 taxing unit needs the increase to provide adequate public
 6 transportation services.
- 7 The local government tax control board shall consider tax rates
 8 and levies in civil taxing units of comparable population, and the
 9 effect (if any) of a loss of federal or other funds to the civil taxing
 10 unit that might have been used for public transportation purposes.
 11 However, the increase that the board may recommend under this
 12 subdivision for a civil taxing unit may not exceed the revenue that
 13 would be raised by the civil taxing unit based on a property tax
 14 rate of one cent (\$.01) per one hundred dollars (\$100) of
 15 assessed valuation.
- 16 (8) A levy increase may not be granted under this subdivision for
 17 property taxes first due and payable after December 31, 2008.
 18 Permission to a civil taxing unit to increase the unit's levy in
 19 excess of the limitations established under section 3 of this
 20 chapter if the local government tax control board finds that:
- 21 (A) the civil taxing unit is:
- 22 (i) a county having a population of more than one hundred
 - 23 forty-eight thousand (148,000) but less than one hundred
 - 24 seventy thousand (170,000);
 - 25 (ii) a city having a population of more than fifty-five
 - 26 thousand (55,000) but less than fifty-nine thousand (59,000);
 - 27 (iii) a city having a population of more than twenty-eight
 - 28 thousand seven hundred (28,700) but less than twenty-nine
 - 29 thousand (29,000);
 - 30 (iv) a city having a population of more than fifteen thousand
 - 31 four hundred (15,400) but less than sixteen thousand six
 - 32 hundred (16,600); or
 - 33 (v) a city having a population of more than seven thousand
 - 34 (7,000) but less than seven thousand three hundred (7,300);
 - 35 and
- 36 (B) the increase is necessary to provide funding to undertake
 37 removal (as defined in IC 13-11-2-187) and remedial action
 38 (as defined in IC 13-11-2-185) relating to hazardous
 39 substances (as defined in IC 13-11-2-98) in solid waste
 40 disposal facilities or industrial sites in the civil taxing unit that
 41 have become a menace to the public health and welfare.
- 42 The maximum increase that the local government tax control
 43 board may recommend for such a civil taxing unit is the levy that
 44 would result from a property tax rate of six and sixty-seven
 45 hundredths cents (\$.0667) for each one hundred dollars (\$100)
 46 of assessed valuation. For purposes of computing the ad valorem

1 property tax levy limit imposed on a civil taxing unit under
 2 section 3 of this chapter, the civil taxing unit's ad valorem
 3 property tax levy for a particular year does not include that part of
 4 the levy imposed under this subdivision. In addition, a property
 5 tax increase permitted under this subdivision may be imposed for
 6 only two (2) calendar years.

7 (9) A levy increase may not be granted under this subdivision for
 8 property taxes first due and payable after December 31, 2008.
 9 Permission for a county:

10 (A) having a population of more than eighty thousand (80,000)
 11 but less than ninety thousand (90,000) to increase the county's
 12 levy in excess of the limitations established under section 3 of
 13 this chapter, if the local government tax control board finds
 14 that the county needs the increase to meet the county's share of
 15 the costs of operating a jail or juvenile detention center,
 16 including expansion of the facility, if the jail or juvenile
 17 detention center is opened after December 31, 1991;

18 (B) that operates a county jail or juvenile detention center that
 19 is subject to an order that:

20 (i) was issued by a federal district court; and

21 (ii) has not been terminated;

22 (C) that operates a county jail that fails to meet:

23 (i) American Correctional Association Jail Construction
 24 Standards; and

25 (ii) Indiana jail operation standards adopted by the
 26 department of correction; or

27 (D) that operates a juvenile detention center that fails to meet
 28 standards equivalent to the standards described in clause (C)
 29 for the operation of juvenile detention centers.

30 Before recommending an increase, the local government tax
 31 control board shall consider all other revenues available to the
 32 county that could be applied for that purpose. An appeal for
 33 operating funds for a jail or a juvenile detention center shall be
 34 considered individually, if a jail and juvenile detention center are
 35 both opened in one (1) county. The maximum aggregate levy
 36 increases that the local government tax control board may
 37 recommend for a county equals the county's share of the costs of
 38 operating the jail or a juvenile detention center for the first full
 39 calendar year in which the jail or juvenile detention center is in
 40 operation.

41 (10) A levy increase may not be granted under this subdivision for
 42 property taxes first due and payable after December 31, 2008.
 43 Permission for a township to increase its levy in excess of the
 44 limitations established under section 3 of this chapter, if the local
 45 government tax control board finds that the township needs the
 46 increase so that the property tax rate to pay the costs of furnishing

1 fire protection for a township, or a portion of a township, enables
 2 the township to pay a fair and reasonable amount under a contract
 3 with the municipality that is furnishing the fire protection.
 4 However, for the first time an appeal is granted the resulting rate
 5 increase may not exceed fifty percent (50%) of the difference
 6 between the rate imposed for fire protection within the
 7 municipality that is providing the fire protection to the township
 8 and the township's rate. A township is required to appeal a second
 9 time for an increase under this subdivision if the township wants
 10 to further increase its rate. However, a township's rate may be
 11 increased to equal but may not exceed the rate that is used by the
 12 municipality. More than one (1) township served by the same
 13 municipality may use this appeal.

14 (11) A levy increase may not be granted under this subdivision for
 15 property taxes first due and payable after December 31, 2008.
 16 Permission for a township to increase its levy in excess of the
 17 limitations established under section 3 of this chapter, if the local
 18 government tax control board finds that the township has been
 19 required, for the three (3) consecutive years preceding the year for
 20 which the appeal under this subdivision is to become effective, to
 21 borrow funds under IC 36-6-6-14 to furnish fire protection for the
 22 township or a part of the township. However, the maximum
 23 increase in a township's levy that may be allowed under this
 24 subdivision is the least of the amounts borrowed under
 25 IC 36-6-6-14 during the preceding three (3) calendar years. A
 26 township may elect to phase in an approved increase in its levy
 27 under this subdivision over a period not to exceed three (3) years.
 28 A particular township may appeal to increase its levy under this
 29 section not more frequently than every fourth calendar year.

30 (12) Permission to a city having a population of more than
 31 twenty-nine thousand (29,000) but less than thirty-one thousand
 32 (31,000) to increase its levy in excess of the limitations
 33 established under section 3 of this chapter if:

34 (A) an appeal was granted to the city under this section to
 35 reallocate property tax replacement credits under IC 6-3.5-1.1
 36 in 1998, 1999, and 2000; and

37 (B) the increase has been approved by the legislative body of
 38 the city, and the legislative body of the city has by resolution
 39 determined that the increase is necessary to pay normal
 40 operating expenses.

41 The maximum amount of the increase is equal to the amount of
 42 property tax replacement credits under IC 6-3.5-1.1 that the city
 43 petitioned under this section to have reallocated in 2001 for a
 44 purpose other than property tax relief.

45 (13) A levy increase may be granted under this subdivision only
 46 for property taxes first due and payable after December 31, 2008.

1 Permission to a civil taxing unit to increase its levy in excess of
 2 the limitations established under section 3 of this chapter if the
 3 civil taxing unit cannot carry out its governmental functions for
 4 an ensuing calendar year under the levy limitations imposed by
 5 section 3 of this chapter due to a natural disaster, an accident, or
 6 another unanticipated emergency."

7 Page 22, between lines 25 and 26, begin a new paragraph and insert:

8 "SECTION 54. IC 6-1.1-28-8 IS AMENDED TO READ AS
 9 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 8. (a) The county
 10 property tax assessment board shall remain in session until the board's
 11 duties are complete.

12 (b) All expenses and per diem compensation resulting from a
 13 session of a county property tax assessment board that is called by the
 14 department of local government finance under subsection (c) shall be
 15 paid by the county auditor, who shall, without an appropriation being
 16 required, draw warrants on county funds not otherwise appropriated.

17 (c) The department of local government finance may also call a
 18 session of the county property tax assessment board after completion
 19 of a ~~general~~ reassessment of real property **under a county's**
 20 **reassessment plan**. The department of local government finance shall
 21 fix the time for and duration of the session.

22 SECTION 55. IC 6-1.1-31-9 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 9. (a) Except as
 24 provided in subsection (b), the department of local government finance
 25 may not adopt rules for the appraisal of real property in a ~~general~~
 26 reassessment **under a county's reassessment plan** after July 1 of the
 27 year before the year in which the ~~general cycle of~~ reassessment **under**
 28 **a county's reassessment plan** is scheduled to begin.

29 (b) If rules for the appraisal of real property in a ~~general~~
 30 reassessment **under a county's reassessment plan** are timely adopted
 31 under subsection (a) and are then disapproved by the attorney general
 32 for any reason under IC 4-22-2-32, the department of local government
 33 finance may modify the rules to cure the defect that resulted in
 34 disapproval by the attorney general, and may then take all actions
 35 necessary under IC 4-22-2 to readopt and to obtain approval of the
 36 rules. This process may be repeated as necessary until the rules are
 37 approved.

38 SECTION 56. IC 6-1.1-33.5-6 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 6. (a) With
 40 respect to any township or county for any year, the department of local
 41 government finance may initiate a review to determine whether to order
 42 a special reassessment under this chapter. The review may apply to real
 43 property or personal property, or both.

44 (b) If the department of local government finance determines under
 45 subsection (a) ~~of this chapter~~ to initiate a review with respect to the real
 46 property within a ~~township or county~~, **particular cycle under a**

1 **county's reassessment plan** or a portion of the real property within a
 2 ~~township or county, cycle~~, the division of data analysis of the
 3 department shall determine for the real property under consideration
 4 and for ~~the township or county~~ **all groups of parcels within a**
 5 **particular cycle**, the variance between:

6 (1) the total assessed valuation of the real property within ~~the~~
 7 ~~township or county~~; **all groups of parcels within a particular**
 8 **cycle**; and

9 (2) the total assessed valuation that would result if the real
 10 property within ~~the township or county~~ **all groups of parcels**
 11 **within a particular cycle** were valued in the manner provided by
 12 law.

13 (c) If the department of local government finance determines under
 14 subsection (a) ~~of this chapter~~ to initiate a review with respect to
 15 personal property within a township or county, or a part of the personal
 16 property within a township or county, the division of data analysis of
 17 the department shall determine for the personal property under
 18 consideration and for the township or county the variance between:

19 (1) the total assessed valuation of the personal property within the
 20 township or county; and

21 (2) the total assessed valuation that would result if the personal
 22 property within the township or county were valued in the manner
 23 provided by law.

24 (d) The determination of the department of local government
 25 finance under section 2 or 3 of this chapter must be based on a
 26 statistically valid assessment ratio study.

27 (e) If a determination of the department of local government finance
 28 to order a special reassessment under this chapter is based on a
 29 coefficient of dispersion study, the department shall publish the
 30 coefficient of dispersion study for the township or county in accordance
 31 with IC 5-3-1-2(j).

32 (f) If:

33 (1) the variance determined under subsection (b) or (c) exceeds
 34 twenty percent (20%); and

35 (2) the department of local government finance determines after
 36 holding hearings on the matter that a special reassessment should
 37 be conducted;

38 the department shall contract for a special reassessment to be
 39 conducted to correct the valuation of the property.

40 (g) If the variance determined under subsection (b) or (c) is twenty
 41 percent (20%) or less, the department of local government finance shall
 42 determine whether to correct the valuation of the property under:

43 (1) IC 6-1.1-4-9 and IC 6-1.1-4-10; or

44 (2) IC 6-1.1-14.

45 (h) The department of local government finance shall give notice to
 46 a taxpayer, by individual notice or by publication at the discretion of

1 the department, of a hearing concerning the department's intent to
 2 cause the assessment of the taxpayer's property to be adjusted under
 3 this section. The time fixed for the hearing must be at least ten (10)
 4 days after the day the notice is mailed or published. The department
 5 may conduct a single hearing under this section with respect to
 6 multiple properties. The notice must state:

- 7 (1) the time of the hearing;
- 8 (2) the location of the hearing; and
- 9 (3) that the purpose of the hearing is to hear taxpayers' comments
 10 and objections with respect to the department's intent to adjust the
 11 assessment of property under this chapter.

12 (i) If the department of local government finance determines after
 13 the hearing that the assessment of property should be adjusted under
 14 this chapter, the department shall:

- 15 (1) cause the assessment of the property to be adjusted;
- 16 (2) mail a certified notice of its final determination to the county
 17 auditor of the county in which the property is located; and
- 18 (3) notify the taxpayer as required under IC 6-1.1-14.

19 (j) A reassessment or adjustment may be made under this section
 20 only if the notice of the final determination is given to the taxpayer
 21 within the same period prescribed in IC 6-1.1-9-3 or IC 6-1.1-9-4.

22 (k) If the department of local government finance contracts for a
 23 special reassessment of property under this chapter, the department
 24 shall forward the bill for services of the reassessment contractor to the
 25 county auditor, and the county shall pay the bill from the county
 26 reassessment fund.

27 SECTION 57. IC 6-1.1-34-1, AS AMENDED BY P.L.182-2009(ss),
 28 SECTION 170, IS AMENDED TO READ AS FOLLOWS
 29 [EFFECTIVE JANUARY 1, 2011]: Sec. 1. In the year after a ~~general~~
 30 **assessment of real property becomes effective; reassessment cycle of**
 31 **real property under a county's reassessment plan is completed**, the
 32 department of local government finance shall compute a new
 33 assessment ratio for each school corporation located in a county in
 34 which a supplemental county levy is imposed under IC 20-45-7 or
 35 IC 20-45-8. In all other years, the department shall compute a new
 36 assessment ratio for such a school corporation if the department finds
 37 that there has been sufficient reassessment or adjustment of one (1) or
 38 more classes of property in the school district. When the department of
 39 local government finance computes a new assessment ratio for a school
 40 corporation, the department shall publish the new ratio.

41 SECTION 58. IC 6-1.1-34-7, AS AMENDED BY P.L.182-2009(ss),
 42 SECTION 171, IS AMENDED TO READ AS FOLLOWS
 43 [EFFECTIVE JANUARY 1, 2011]: Sec. 7. (a) Each year in which the
 44 department of local government finance computes a new assessment
 45 ratio for a school corporation, the department shall also compute a new
 46 adjustment factor for the school corporation. If the school corporation's

1 assessment ratio for a year is more than ninety-nine percent (99%) but
 2 less than one hundred one percent (101%) of the state average
 3 assessment ratio for that year, the school corporation's adjustment
 4 factor is the number one (1). In all other cases, the school corporation's
 5 adjustment factor equals (1) the state average assessment ratio for a
 6 year, divided by (2) the school corporation's assessment ratio for that
 7 year. The department of local government finance shall notify the
 8 school corporation of its new adjustment factor before March 2 of the
 9 year in which the department calculates the new adjustment factor.

10 (b) This subsection applies in a calendar year after which a ~~general~~
 11 reassessment ~~takes effect.~~ **cycle under a county's reassessment plan**
 12 **is completed.** If the department of local government finance has not
 13 computed a new assessment ratio for a school corporation, the school
 14 corporation's adjustment factor is the number one (1) until the
 15 department of local government finance notifies the school corporation
 16 of the school corporation's new adjustment factor."

17 Page 23, between lines 26 and 27, begin a new paragraph and insert:

18 "SECTION 60. IC 6-1.1-39-5, AS AMENDED BY P.L.146-2008,
 19 SECTION 296, IS AMENDED TO READ AS FOLLOWS
 20 [EFFECTIVE JANUARY 1, 2011]: Sec. 5. (a) A declaratory ordinance
 21 adopted under section 2 of this chapter and confirmed under section 3
 22 of this chapter must include a provision with respect to the allocation
 23 and distribution of property taxes for the purposes and in the manner
 24 provided in this section. The allocation provision must apply to the
 25 entire economic development district. The allocation provisions must
 26 require that any property taxes subsequently levied by or for the benefit
 27 of any public body entitled to a distribution of property taxes on taxable
 28 property in the economic development district be allocated and
 29 distributed as follows:

30 (1) Except as otherwise provided in this section, the proceeds of
 31 the taxes attributable to the lesser of:

32 (A) the assessed value of the property for the assessment date
 33 with respect to which the allocation and distribution is made;
 34 or

35 (B) the base assessed value;

36 shall be allocated to and, when collected, paid into the funds of
 37 the respective taxing units. However, if the effective date of the
 38 allocation provision of a declaratory ordinance is after March 1,
 39 1985, and before January 1, 1986, and if an improvement to
 40 property was partially completed on March 1, 1985, the unit may
 41 provide in the declaratory ordinance that the taxes attributable to
 42 the assessed value of the property as finally determined for March
 43 1, 1984, shall be allocated to and, when collected, paid into the
 44 funds of the respective taxing units.

45 (2) Except as otherwise provided in this section, part or all of the
 46 property tax proceeds in excess of those described in subdivision

1 (1), as specified in the declaratory ordinance, shall be allocated to
 2 the unit for the economic development district and, when
 3 collected, paid into a special fund established by the unit for that
 4 economic development district that may be used only to pay the
 5 principal of and interest on obligations owed by the unit under
 6 IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of
 7 industrial development programs in, or serving, that economic
 8 development district. The amount not paid into the special fund
 9 shall be paid to the respective units in the manner prescribed by
 10 subdivision (1).

11 (3) When the money in the fund is sufficient to pay all
 12 outstanding principal of and interest (to the earliest date on which
 13 the obligations can be redeemed) on obligations owed by the unit
 14 under IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing
 15 of industrial development programs in, or serving, that economic
 16 development district, money in the special fund in excess of that
 17 amount shall be paid to the respective taxing units in the manner
 18 prescribed by subdivision (1).

19 (b) Property tax proceeds allocable to the economic development
 20 district under subsection (a)(2) must, subject to subsection (a)(3), be
 21 irrevocably pledged by the unit for payment as set forth in subsection
 22 (a)(2).

23 (c) For the purpose of allocating taxes levied by or for any taxing
 24 unit or units, the assessed value of taxable property in a territory in the
 25 economic development district that is annexed by any taxing unit after
 26 the effective date of the allocation provision of the declaratory
 27 ordinance is the lesser of:

- 28 (1) the assessed value of the property for the assessment date with
 29 respect to which the allocation and distribution is made; or
- 30 (2) the base assessed value.

31 (d) Notwithstanding any other law, each assessor shall, upon
 32 petition of the fiscal body, reassess the taxable property situated upon
 33 or in, or added to, the economic development district effective on the
 34 next assessment date after the petition.

35 (e) Notwithstanding any other law, the assessed value of all taxable
 36 property in the economic development district, for purposes of tax
 37 limitation, property tax replacement, and formulation of the budget, tax
 38 rate, and tax levy for each political subdivision in which the property
 39 is located, is the lesser of:

- 40 (1) the assessed value of the property as valued without regard to
 41 this section; or
- 42 (2) the base assessed value.

43 (f) The state board of accounts and department of local government
 44 finance shall make the rules and prescribe the forms and procedures
 45 that they consider expedient for the implementation of this chapter.
 46 After each ~~general~~ reassessment of a group of parcels under a

1 **county's reassessment plan** under IC 6-1.1-4, the department of local
 2 government finance shall adjust the base assessed value one (1) time
 3 to neutralize any effect of the ~~general~~ reassessment on the property tax
 4 proceeds allocated to the district under this section. After each annual
 5 adjustment under IC 6-1.1-4-4.5, the department of local government
 6 finance shall adjust the base assessed value to neutralize any effect of
 7 the annual adjustment on the property tax proceeds allocated to the
 8 district under this section. However, the adjustments under this
 9 subsection may not include the effect of property tax abatements under
 10 IC 6-1.1-12.1.

11 (g) As used in this section, "property taxes" means:

- 12 (1) taxes imposed under this article on real property; and
- 13 (2) any part of the taxes imposed under this article on depreciable
 14 personal property that the unit has by ordinance allocated to the
 15 economic development district. However, the ordinance may not
 16 limit the allocation to taxes on depreciable personal property with
 17 any particular useful life or lives.

18 If a unit had, by ordinance adopted before May 8, 1987, allocated to an
 19 economic development district property taxes imposed under IC 6-1.1
 20 on depreciable personal property that has a useful life in excess of eight
 21 (8) years, the ordinance continues in effect until an ordinance is
 22 adopted by the unit under subdivision (2).

23 (h) As used in this section, "base assessed value" means:

- 24 (1) the net assessed value of all the property as finally determined
 25 for the assessment date immediately preceding the effective date
 26 of the allocation provision of the declaratory resolution, as
 27 adjusted under subsection (f); plus
- 28 (2) to the extent that it is not included in subdivision (1), the net
 29 assessed value of property that is assessed as residential property
 30 under the rules of the department of local government finance, as
 31 finally determined for any assessment date after the effective date
 32 of the allocation provision.

33 Subdivision (2) applies only to economic development districts
 34 established after June 30, 1997, and to additional areas established
 35 after June 30, 1997.

36 SECTION 61. IC 6-1.1-42-28, AS AMENDED BY P.L.219-2007,
 37 SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JANUARY 1, 2011]: Sec. 28. (a) Subject to this section and section 34
 39 of this chapter, the amount of the deduction which the property owner
 40 is entitled to receive under this chapter for a particular year equals the
 41 product of:

- 42 (1) the increase in the assessed value resulting from the
 43 remediation and redevelopment in the zone or the location of
 44 personal property in the zone, or both; multiplied by
- 45 (2) the percentage determined under subsection (b).

46 (b) The percentage to be used in calculating the deduction under

1 subsection (a) is as follows:

2 (1) For deductions allowed over a three (3) year period:

3 YEAR OF DEDUCTION	PERCENTAGE
4 1st	100%
5 2nd	66%
6 3rd	33%

7 (2) For deductions allowed over a six (6) year period:

8 YEAR OF DEDUCTION	PERCENTAGE
9 1st	100%
10 2nd	85%
11 3rd	66%
12 4th	50%
13 5th	34%
14 6th	17%

15 (3) For deductions allowed over a ten (10) year period:

16 YEAR OF DEDUCTION	PERCENTAGE
17 1st	100%
18 2nd	95%
19 3rd	80%
20 4th	65%
21 5th	50%
22 6th	40%
23 7th	30%
24 8th	20%
25 9th	10%
26 10th	5%

27 (c) The amount of the deduction determined under subsection (a)
28 shall be adjusted in accordance with this subsection in the following
29 circumstances:

30 (1) If a ~~general~~ reassessment of **the** real property **under a**
31 **county's reassessment plan** occurs within the particular period
32 of the deduction, the amount determined under subsection (a)(1)
33 shall be adjusted to reflect the percentage increase or decrease in
34 assessed valuation that resulted from the ~~general~~ reassessment.

35 (2) If an appeal of an assessment is approved that results in a
36 reduction of the assessed value of the redeveloped or rehabilitated
37 property, the amount of any deduction shall be adjusted to reflect
38 the percentage decrease that resulted from the appeal.

39 (3) The amount of the deduction may not exceed the limitations
40 imposed by the designating body under section 23 of this chapter.

41 (4) The amount of the deduction must be proportionally reduced
42 by the proportionate ownership of the property by a person that:

43 (A) has an ownership interest in an entity that contributed; or

44 (B) has contributed;

45 a contaminant (as defined in IC 13-11-2-42) that is the subject of
46 the voluntary remediation, as determined under the written

1 standards adopted by the department of environmental
2 management.

3 The department of local government finance shall adopt rules under
4 IC 4-22-2 to implement this subsection."

5 Page 40, between lines 17 and 18, begin a new paragraph and insert:

6 "SECTION 70. IC 8-22-3.5-11, AS AMENDED BY P.L.154-2006,
7 SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JANUARY 1, 2011]: Sec. 11. (a) The state board of accounts and the
9 department of local government finance shall make the rules and
10 prescribe the forms and procedures that the state board of accounts and
11 department consider appropriate for the implementation of this chapter.

12 (b) After each ~~general~~ reassessment **of a group of parcels under a**
13 **county's reassessment plan** under IC 6-1.1-4, the department of local
14 government finance shall adjust the base assessed value (as defined in
15 section 9 of this chapter) one (1) time to neutralize any effect of the
16 ~~general~~ reassessment on the property tax proceeds allocated to the
17 airport development zone's special funds under section 9 of this
18 chapter.

19 (c) After each annual adjustment under IC 6-1.1-4-4.5, the
20 department of local government finance shall adjust the base assessed
21 value (as defined in section 9 of this chapter) to neutralize any effect
22 of the annual adjustment on the property tax proceeds allocated to the
23 airport development zone's special funds under section 9 of this
24 chapter."

25 Page 43, between lines 35 and 36, begin a new paragraph and insert:

26 "SECTION 77. IC 33-26-8-1, AS AMENDED BY P.L.1-2007,
27 SECTION 213, IS AMENDED TO READ AS FOLLOWS
28 [EFFECTIVE JANUARY 1, 2011]: Sec. 1. As used in this chapter,
29 "contractor" means a ~~general~~ reassessment, ~~general~~ reassessment
30 review, or special reassessment contractor of the department of local
31 government finance under IC 6-1.1-4-32 (repealed).

32 SECTION 78. IC 33-26-8-3, AS AMENDED BY P.L.1-2007,
33 SECTION 214, IS AMENDED TO READ AS FOLLOWS
34 [EFFECTIVE JANUARY 1, 2011]: Sec. 3. As used in this chapter,
35 "qualifying official" refers to any of the following:

- 36 (1) A county assessor of a qualifying county.
- 37 (2) A township assessor of a qualifying county.
- 38 (3) The county auditor of a qualifying county.
- 39 (4) The treasurer of a qualifying county.
- 40 (5) The county surveyor of a qualifying county.
- 41 (6) A member of the land valuation committee in a qualifying
42 county.
- 43 (7) Any other township or county official in a qualifying county
44 who has possession or control of information necessary or useful
45 for a ~~general~~ reassessment, ~~general~~ reassessment review, or
46 special reassessment of property to which IC 6-1.1-4-32

1 (repealed) applies, including information in the possession or
2 control of an employee or a contractor of the official.

3 (8) Any county official in a qualifying county who has control,
4 review, or other responsibilities related to paying claims of a
5 contractor submitted for payment under IC 6-1.1-4-32
6 (repealed)."

7 Page 43, between lines 40 and 41, begin a new paragraph and insert:

8 "SECTION 80. IC 36-2-7-13, AS AMENDED BY P.L.146-2008,
9 SECTION 691, IS AMENDED TO READ AS FOLLOWS
10 [EFFECTIVE JANUARY 1, 2011]: Sec. 13. The county fiscal body
11 may grant to the county assessor, in addition to the compensation fixed
12 under IC 36-2-5, a per diem for each day that the assessor is engaged
13 in ~~general~~ reassessment activities **under a county's reassessment**
14 **plan**. This section applies regardless of whether professional assessing
15 services are provided under a contract to one (1) or more townships in
16 the county.

17 SECTION 81. IC 36-6-8-5, AS AMENDED BY P.L.146-2008,
18 SECTION 717, IS AMENDED TO READ AS FOLLOWS
19 [EFFECTIVE JANUARY 1, 2011]: Sec. 5. (a) When performing the
20 real property reassessment duties **under a county's reassessment plan**
21 **as** prescribed by IC 6-1.1-4, a township assessor may receive per diem
22 compensation, in addition to salary, at a rate fixed by the county fiscal
23 body, for each day that the assessor is engaged in reassessment
24 activities.

25 (b) Subsection (a) applies regardless of whether professional
26 assessing services are provided to a township under contract.

27 SECTION 82. IC 36-7-14-39, AS AMENDED BY
28 P.L.182-2009(ss), SECTION 404, IS AMENDED TO READ AS
29 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 39. (a) As used
30 in this section:

31 "Allocation area" means that part of a redevelopment project area
32 to which an allocation provision of a declaratory resolution adopted
33 under section 15 of this chapter refers for purposes of distribution and
34 allocation of property taxes.

35 "Base assessed value" means the following:

36 (1) If an allocation provision is adopted after June 30, 1995, in a
37 declaratory resolution or an amendment to a declaratory
38 resolution establishing an economic development area:

39 (A) the net assessed value of all the property as finally
40 determined for the assessment date immediately preceding the
41 effective date of the allocation provision of the declaratory
42 resolution, as adjusted under subsection (h); plus

43 (B) to the extent that it is not included in clause (A), the net
44 assessed value of property that is assessed as residential
45 property under the rules of the department of local government
46 finance, as finally determined for any assessment date after the

- 1 effective date of the allocation provision.
- 2 (2) If an allocation provision is adopted after June 30, 1997, in a
3 declaratory resolution or an amendment to a declaratory
4 resolution establishing a redevelopment project area:
- 5 (A) the net assessed value of all the property as finally
6 determined for the assessment date immediately preceding the
7 effective date of the allocation provision of the declaratory
8 resolution, as adjusted under subsection (h); plus
9 (B) to the extent that it is not included in clause (A), the net
10 assessed value of property that is assessed as residential
11 property under the rules of the department of local government
12 finance, as finally determined for any assessment date after the
13 effective date of the allocation provision.
- 14 (3) If:
- 15 (A) an allocation provision adopted before June 30, 1995, in
16 a declaratory resolution or an amendment to a declaratory
17 resolution establishing a redevelopment project area expires
18 after June 30, 1997; and
19 (B) after June 30, 1997, a new allocation provision is included
20 in an amendment to the declaratory resolution;
21 the net assessed value of all the property as finally determined for
22 the assessment date immediately preceding the effective date of
23 the allocation provision adopted after June 30, 1997, as adjusted
24 under subsection (h).
- 25 (4) Except as provided in subdivision (5), for all other allocation
26 areas, the net assessed value of all the property as finally
27 determined for the assessment date immediately preceding the
28 effective date of the allocation provision of the declaratory
29 resolution, as adjusted under subsection (h).
- 30 (5) If an allocation area established in an economic development
31 area before July 1, 1995, is expanded after June 30, 1995, the
32 definition in subdivision (1) applies to the expanded part of the
33 area added after June 30, 1995.
- 34 (6) If an allocation area established in a redevelopment project
35 area before July 1, 1997, is expanded after June 30, 1997, the
36 definition in subdivision (2) applies to the expanded part of the
37 area added after June 30, 1997.
- 38 Except as provided in section 39.3 of this chapter, "property taxes"
39 means taxes imposed under IC 6-1.1 on real property. However, upon
40 approval by a resolution of the redevelopment commission adopted
41 before June 1, 1987, "property taxes" also includes taxes imposed
42 under IC 6-1.1 on depreciable personal property. If a redevelopment
43 commission adopted before June 1, 1987, a resolution to include within
44 the definition of property taxes taxes imposed under IC 6-1.1 on
45 depreciable personal property that has a useful life in excess of eight
46 (8) years, the commission may by resolution determine the percentage

1 of taxes imposed under IC 6-1.1 on all depreciable personal property
2 that will be included within the definition of property taxes. However,
3 the percentage included must not exceed twenty-five percent (25%) of
4 the taxes imposed under IC 6-1.1 on all depreciable personal property.

5 (b) A declaratory resolution adopted under section 15 of this chapter
6 on or before the allocation deadline determined under subsection (i)
7 may include a provision with respect to the allocation and distribution
8 of property taxes for the purposes and in the manner provided in this
9 section. A declaratory resolution previously adopted may include an
10 allocation provision by the amendment of that declaratory resolution on
11 or before the allocation deadline determined under subsection (i) in
12 accordance with the procedures required for its original adoption. A
13 declaratory resolution or an amendment that establishes an allocation
14 provision after June 30, 1995, must specify an expiration date for the
15 allocation provision. For an allocation area established before July 1,
16 2008, the expiration date may not be more than thirty (30) years after
17 the date on which the allocation provision is established. For an
18 allocation area established after June 30, 2008, the expiration date may
19 not be more than twenty-five (25) years after the date on which the first
20 obligation was incurred to pay principal and interest on bonds or lease
21 rentals on leases payable from tax increment revenues. However, with
22 respect to bonds or other obligations that were issued before July 1,
23 2008, if any of the bonds or other obligations that were scheduled when
24 issued to mature before the specified expiration date and that are
25 payable only from allocated tax proceeds with respect to the allocation
26 area remain outstanding as of the expiration date, the allocation
27 provision does not expire until all of the bonds or other obligations are
28 no longer outstanding. The allocation provision may apply to all or part
29 of the redevelopment project area. The allocation provision must
30 require that any property taxes subsequently levied by or for the benefit
31 of any public body entitled to a distribution of property taxes on taxable
32 property in the allocation area be allocated and distributed as follows:

33 (1) Except as otherwise provided in this section, the proceeds of
34 the taxes attributable to the lesser of:

35 (A) the assessed value of the property for the assessment date
36 with respect to which the allocation and distribution is made;

37 or

38 (B) the base assessed value;

39 shall be allocated to and, when collected, paid into the funds of
40 the respective taxing units.

41 (2) Except as otherwise provided in this section, property tax
42 proceeds in excess of those described in subdivision (1) shall be
43 allocated to the redevelopment district and, when collected, paid
44 into an allocation fund for that allocation area that may be used by
45 the redevelopment district only to do one (1) or more of the
46 following:

- 1 (A) Pay the principal of and interest on any obligations
 2 payable solely from allocated tax proceeds which are incurred
 3 by the redevelopment district for the purpose of financing or
 4 refinancing the redevelopment of that allocation area.
- 5 (B) Establish, augment, or restore the debt service reserve for
 6 bonds payable solely or in part from allocated tax proceeds in
 7 that allocation area.
- 8 (C) Pay the principal of and interest on bonds payable from
 9 allocated tax proceeds in that allocation area and from the
 10 special tax levied under section 27 of this chapter.
- 11 (D) Pay the principal of and interest on bonds issued by the
 12 unit to pay for local public improvements that are physically
 13 located in or physically connected to that allocation area.
- 14 (E) Pay premiums on the redemption before maturity of bonds
 15 payable solely or in part from allocated tax proceeds in that
 16 allocation area.
- 17 (F) Make payments on leases payable from allocated tax
 18 proceeds in that allocation area under section 25.2 of this
 19 chapter.
- 20 (G) Reimburse the unit for expenditures made by it for local
 21 public improvements (which include buildings, parking
 22 facilities, and other items described in section 25.1(a) of this
 23 chapter) that are physically located in or physically connected
 24 to that allocation area.
- 25 (H) Reimburse the unit for rentals paid by it for a building or
 26 parking facility that is physically located in or physically
 27 connected to that allocation area under any lease entered into
 28 under IC 36-1-10.
- 29 (I) For property taxes first due and payable before January 1,
 30 2009, pay all or a part of a property tax replacement credit to
 31 taxpayers in an allocation area as determined by the
 32 redevelopment commission. This credit equals the amount
 33 determined under the following STEPS for each taxpayer in a
 34 taxing district (as defined in IC 6-1.1-1-20) that contains all or
 35 part of the allocation area:
- 36 STEP ONE: Determine that part of the sum of the amounts
 37 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
 38 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
 39 IC 6-1.1-21-2(g)(5) (**before their repeal**) that is attributable
 40 to the taxing district.
- 41 STEP TWO: Divide:
- 42 (i) that part of each county's eligible property tax
 43 replacement amount (as defined in IC 6-1.1-21-2 **repealed**)
 44 for that year as determined under IC 6-1.1-21-4 (**repealed**)
 45 that is attributable to the taxing district; by
 46 (ii) the STEP ONE sum.

- 1 STEP THREE: Multiply:
- 2 (i) the STEP TWO quotient; times
- 3 (ii) the total amount of the taxpayer's taxes (as defined in
- 4 IC 6-1.1-21-2 (**repealed**)) levied in the taxing district that
- 5 have been allocated during that year to an allocation fund
- 6 under this section.
- 7 If not all the taxpayers in an allocation area receive the credit
- 8 in full, each taxpayer in the allocation area is entitled to
- 9 receive the same proportion of the credit. A taxpayer may not
- 10 receive a credit under this section and a credit under section
- 11 39.5 of this chapter (before its repeal) in the same year.
- 12 (J) Pay expenses incurred by the redevelopment commission
- 13 for local public improvements that are in the allocation area or
- 14 serving the allocation area. Public improvements include
- 15 buildings, parking facilities, and other items described in
- 16 section 25.1(a) of this chapter.
- 17 (K) Reimburse public and private entities for expenses
- 18 incurred in training employees of industrial facilities that are
- 19 located:
- 20 (i) in the allocation area; and
- 21 (ii) on a parcel of real property that has been classified as
- 22 industrial property under the rules of the department of local
- 23 government finance.
- 24 However, the total amount of money spent for this purpose in
- 25 any year may not exceed the total amount of money in the
- 26 allocation fund that is attributable to property taxes paid by the
- 27 industrial facilities described in this clause. The
- 28 reimbursements under this clause must be made within three
- 29 (3) years after the date on which the investments that are the
- 30 basis for the increment financing are made.
- 31 (L) Pay the costs of carrying out an eligible efficiency project
- 32 (as defined in IC 36-9-41-1.5) within the unit that established
- 33 the redevelopment commission. However, property tax
- 34 proceeds may be used under this clause to pay the costs of
- 35 carrying out an eligible efficiency project only if those
- 36 property tax proceeds exceed the amount necessary to do the
- 37 following:
- 38 (i) Make, when due, any payments required under clauses
- 39 (A) through (K), including any payments of principal and
- 40 interest on bonds and other obligations payable under this
- 41 subdivision, any payments of premiums under this
- 42 subdivision on the redemption before maturity of bonds, and
- 43 any payments on leases payable under this subdivision.
- 44 (ii) Make any reimbursements required under this
- 45 subdivision.
- 46 (iii) Pay any expenses required under this subdivision.

1 (iv) Establish, augment, or restore any debt service reserve
2 under this subdivision.

3 The allocation fund may not be used for operating expenses of the
4 commission.

5 (3) Except as provided in subsection (g), before July 15 of each
6 year the commission shall do the following:

7 (A) Determine the amount, if any, by which the assessed value
8 of the taxable property in the allocation area for the most
9 recent assessment date minus the base assessed value, when
10 multiplied by the estimated tax rate of the allocation area, will
11 exceed the amount of assessed value needed to produce the
12 property taxes necessary to make, when due, principal and
13 interest payments on bonds described in subdivision (2) plus
14 the amount necessary for other purposes described in
15 subdivision (2).

16 (B) Provide a written notice to the county auditor, the fiscal
17 body of the county or municipality that established the
18 department of redevelopment, and the officers who are
19 authorized to fix budgets, tax rates, and tax levies under
20 IC 6-1.1-17-5 for each of the other taxing units that is wholly
21 or partly located within the allocation area. The notice must:

22 (i) state the amount, if any, of excess assessed value that the
23 commission has determined may be allocated to the
24 respective taxing units in the manner prescribed in
25 subdivision (1); or

26 (ii) state that the commission has determined that there is no
27 excess assessed value that may be allocated to the respective
28 taxing units in the manner prescribed in subdivision (1).

29 The county auditor shall allocate to the respective taxing units
30 the amount, if any, of excess assessed value determined by the
31 commission. The commission may not authorize an allocation
32 of assessed value to the respective taxing units under this
33 subdivision if to do so would endanger the interests of the
34 holders of bonds described in subdivision (2) or lessors under
35 section 25.3 of this chapter.

36 (c) For the purpose of allocating taxes levied by or for any taxing
37 unit or units, the assessed value of taxable property in a territory in the
38 allocation area that is annexed by any taxing unit after the effective
39 date of the allocation provision of the declaratory resolution is the
40 lesser of:

41 (1) the assessed value of the property for the assessment date with
42 respect to which the allocation and distribution is made; or

43 (2) the base assessed value.

44 (d) Property tax proceeds allocable to the redevelopment district
45 under subsection (b)(2) may, subject to subsection (b)(3), be
46 irrevocably pledged by the redevelopment district for payment as set

1 forth in subsection (b)(2).

2 (e) Notwithstanding any other law, each assessor shall, upon
3 petition of the redevelopment commission, reassess the taxable
4 property situated upon or in, or added to, the allocation area, effective
5 on the next assessment date after the petition.

6 (f) Notwithstanding any other law, the assessed value of all taxable
7 property in the allocation area, for purposes of tax limitation, property
8 tax replacement, and formulation of the budget, tax rate, and tax levy
9 for each political subdivision in which the property is located is the
10 lesser of:

11 (1) the assessed value of the property as valued without regard to
12 this section; or

13 (2) the base assessed value.

14 (g) If any part of the allocation area is located in an enterprise zone
15 created under IC 5-28-15, the unit that designated the allocation area
16 shall create funds as specified in this subsection. A unit that has
17 obligations, bonds, or leases payable from allocated tax proceeds under
18 subsection (b)(2) shall establish an allocation fund for the purposes
19 specified in subsection (b)(2) and a special zone fund. Such a unit
20 shall, until the end of the enterprise zone phase out period, deposit each
21 year in the special zone fund any amount in the allocation fund derived
22 from property tax proceeds in excess of those described in subsection
23 (b)(1) from property located in the enterprise zone that exceeds the
24 amount sufficient for the purposes specified in subsection (b)(2) for the
25 year. The amount sufficient for purposes specified in subsection (b)(2)
26 for the year shall be determined based on the pro rata portion of such
27 current property tax proceeds from the part of the enterprise zone that
28 is within the allocation area as compared to all such current property
29 tax proceeds derived from the allocation area. A unit that has no
30 obligations, bonds, or leases payable from allocated tax proceeds under
31 subsection (b)(2) shall establish a special zone fund and deposit all the
32 property tax proceeds in excess of those described in subsection (b)(1)
33 in the fund derived from property tax proceeds in excess of those
34 described in subsection (b)(1) from property located in the enterprise
35 zone. The unit that creates the special zone fund shall use the fund
36 (based on the recommendations of the urban enterprise association) for
37 programs in job training, job enrichment, and basic skill development
38 that are designed to benefit residents and employers in the enterprise
39 zone or other purposes specified in subsection (b)(2), except that where
40 reference is made in subsection (b)(2) to allocation area it shall refer
41 for purposes of payments from the special zone fund only to that part
42 of the allocation area that is also located in the enterprise zone. Those
43 programs shall reserve at least one-half (1/2) of their enrollment in any
44 session for residents of the enterprise zone.

45 (h) The state board of accounts and department of local government
46 finance shall make the rules and prescribe the forms and procedures

1 that they consider expedient for the implementation of this chapter.
 2 After each ~~general~~ **reassessment of real property in an area under a**
 3 **county's reassessment plan** under IC 6-1.1-4, the department of local
 4 government finance shall adjust the base assessed value one (1) time
 5 to neutralize any effect of the ~~general~~ **reassessment of the real**
 6 **property in the area under a county's reassessment plan** on the
 7 property tax proceeds allocated to the redevelopment district under this
 8 section. After each annual adjustment under IC 6-1.1-4-4.5, the
 9 department of local government finance shall adjust the base assessed
 10 value one (1) time to neutralize any effect of the annual adjustment on
 11 the property tax proceeds allocated to the redevelopment district under
 12 this section. However, the adjustments under this subsection may not
 13 include the effect of property tax abatements under IC 6-1.1-12.1, and
 14 these adjustments may not produce less property tax proceeds allocable
 15 to the redevelopment district under subsection (b)(2) than would
 16 otherwise have been received if the ~~general~~ **reassessment under a**
 17 **county's reassessment plan** or annual adjustment had not occurred.
 18 The department of local government finance may prescribe procedures
 19 for county and township officials to follow to assist the department in
 20 making the adjustments.

21 (i) The allocation deadline referred to in subsection (b) is
 22 determined in the following manner:

23 (1) The initial allocation deadline is December 31, 2011.

24 (2) Subject to subdivision (3), the initial allocation deadline and
 25 subsequent allocation deadlines are automatically extended in
 26 increments of five (5) years, so that allocation deadlines
 27 subsequent to the initial allocation deadline fall on December 31,
 28 2016, and December 31 of each fifth year thereafter.

29 (3) At least one (1) year before the date of an allocation deadline
 30 determined under subdivision (2), the general assembly may enact
 31 a law that:

32 (A) terminates the automatic extension of allocation deadlines
 33 under subdivision (2); and

34 (B) specifically designates a particular date as the final
 35 allocation deadline.

36 SECTION 83. IC 36-7-15.1-26, AS AMENDED BY
 37 P.L.182-2009(ss), SECTION 406, IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 26. (a) As used
 39 in this section:

40 "Allocation area" means that part of a redevelopment project area
 41 to which an allocation provision of a resolution adopted under section
 42 8 of this chapter refers for purposes of distribution and allocation of
 43 property taxes.

44 "Base assessed value" means the following:

45 (1) If an allocation provision is adopted after June 30, 1995, in a
 46 declaratory resolution or an amendment to a declaratory

- 1 resolution establishing an economic development area:
- 2 (A) the net assessed value of all the property as finally
- 3 determined for the assessment date immediately preceding the
- 4 effective date of the allocation provision of the declaratory
- 5 resolution, as adjusted under subsection (h); plus
- 6 (B) to the extent that it is not included in clause (A), the net
- 7 assessed value of property that is assessed as residential
- 8 property under the rules of the department of local government
- 9 finance, as finally determined for any assessment date after the
- 10 effective date of the allocation provision.
- 11 (2) If an allocation provision is adopted after June 30, 1997, in a
- 12 declaratory resolution or an amendment to a declaratory
- 13 resolution establishing a redevelopment project area:
- 14 (A) the net assessed value of all the property as finally
- 15 determined for the assessment date immediately preceding the
- 16 effective date of the allocation provision of the declaratory
- 17 resolution, as adjusted under subsection (h); plus
- 18 (B) to the extent that it is not included in clause (A), the net
- 19 assessed value of property that is assessed as residential
- 20 property under the rules of the department of local government
- 21 finance, as finally determined for any assessment date after the
- 22 effective date of the allocation provision.
- 23 (3) If:
- 24 (A) an allocation provision adopted before June 30, 1995, in
- 25 a declaratory resolution or an amendment to a declaratory
- 26 resolution establishing a redevelopment project area expires
- 27 after June 30, 1997; and
- 28 (B) after June 30, 1997, a new allocation provision is included
- 29 in an amendment to the declaratory resolution;
- 30 the net assessed value of all the property as finally determined for
- 31 the assessment date immediately preceding the effective date of
- 32 the allocation provision adopted after June 30, 1997, as adjusted
- 33 under subsection (h).
- 34 (4) Except as provided in subdivision (5), for all other allocation
- 35 areas, the net assessed value of all the property as finally
- 36 determined for the assessment date immediately preceding the
- 37 effective date of the allocation provision of the declaratory
- 38 resolution, as adjusted under subsection (h).
- 39 (5) If an allocation area established in an economic development
- 40 area before July 1, 1995, is expanded after June 30, 1995, the
- 41 definition in subdivision (1) applies to the expanded part of the
- 42 area added after June 30, 1995.
- 43 (6) If an allocation area established in a redevelopment project
- 44 area before July 1, 1997, is expanded after June 30, 1997, the
- 45 definition in subdivision (2) applies to the expanded part of the
- 46 area added after June 30, 1997.

1 Except as provided in section 26.2 of this chapter, "property taxes"
2 means taxes imposed under IC 6-1.1 on real property. However, upon
3 approval by a resolution of the redevelopment commission adopted
4 before June 1, 1987, "property taxes" also includes taxes imposed
5 under IC 6-1.1 on depreciable personal property. If a redevelopment
6 commission adopted before June 1, 1987, a resolution to include within
7 the definition of property taxes taxes imposed under IC 6-1.1 on
8 depreciable personal property that has a useful life in excess of eight
9 (8) years, the commission may by resolution determine the percentage
10 of taxes imposed under IC 6-1.1 on all depreciable personal property
11 that will be included within the definition of property taxes. However,
12 the percentage included must not exceed twenty-five percent (25%) of
13 the taxes imposed under IC 6-1.1 on all depreciable personal property.

14 (b) A resolution adopted under section 8 of this chapter on or before
15 the allocation deadline determined under subsection (i) may include a
16 provision with respect to the allocation and distribution of property
17 taxes for the purposes and in the manner provided in this section. A
18 resolution previously adopted may include an allocation provision by
19 the amendment of that resolution on or before the allocation deadline
20 determined under subsection (i) in accordance with the procedures
21 required for its original adoption. A declaratory resolution or an
22 amendment that establishes an allocation provision after June 30, 1995,
23 must specify an expiration date for the allocation provision. For an
24 allocation area established before July 1, 2008, the expiration date may
25 not be more than thirty (30) years after the date on which the allocation
26 provision is established. For an allocation area established after June
27 30, 2008, the expiration date may not be more than twenty-five (25)
28 years after the date on which the first obligation was incurred to pay
29 principal and interest on bonds or lease rentals on leases payable from
30 tax increment revenues. However, with respect to bonds or other
31 obligations that were issued before July 1, 2008, if any of the bonds or
32 other obligations that were scheduled when issued to mature before the
33 specified expiration date and that are payable only from allocated tax
34 proceeds with respect to the allocation area remain outstanding as of
35 the expiration date, the allocation provision does not expire until all of
36 the bonds or other obligations are no longer outstanding. The allocation
37 provision may apply to all or part of the redevelopment project area.
38 The allocation provision must require that any property taxes
39 subsequently levied by or for the benefit of any public body entitled to
40 a distribution of property taxes on taxable property in the allocation
41 area be allocated and distributed as follows:

- 42 (1) Except as otherwise provided in this section, the proceeds of
43 the taxes attributable to the lesser of:
44 (A) the assessed value of the property for the assessment date
45 with respect to which the allocation and distribution is made;
46 or

- 1 (B) the base assessed value;
- 2 shall be allocated to and, when collected, paid into the funds of
- 3 the respective taxing units.
- 4 (2) Except as otherwise provided in this section, property tax
- 5 proceeds in excess of those described in subdivision (1) shall be
- 6 allocated to the redevelopment district and, when collected, paid
- 7 into a special fund for that allocation area that may be used by the
- 8 redevelopment district only to do one (1) or more of the
- 9 following:
- 10 (A) Pay the principal of and interest on any obligations
- 11 payable solely from allocated tax proceeds that are incurred by
- 12 the redevelopment district for the purpose of financing or
- 13 refinancing the redevelopment of that allocation area.
- 14 (B) Establish, augment, or restore the debt service reserve for
- 15 bonds payable solely or in part from allocated tax proceeds in
- 16 that allocation area.
- 17 (C) Pay the principal of and interest on bonds payable from
- 18 allocated tax proceeds in that allocation area and from the
- 19 special tax levied under section 19 of this chapter.
- 20 (D) Pay the principal of and interest on bonds issued by the
- 21 consolidated city to pay for local public improvements that are
- 22 physically located in or physically connected to that allocation
- 23 area.
- 24 (E) Pay premiums on the redemption before maturity of bonds
- 25 payable solely or in part from allocated tax proceeds in that
- 26 allocation area.
- 27 (F) Make payments on leases payable from allocated tax
- 28 proceeds in that allocation area under section 17.1 of this
- 29 chapter.
- 30 (G) Reimburse the consolidated city for expenditures for local
- 31 public improvements (which include buildings, parking
- 32 facilities, and other items set forth in section 17 of this
- 33 chapter) that are physically located in or physically connected
- 34 to that allocation area.
- 35 (H) Reimburse the unit for rentals paid by it for a building or
- 36 parking facility that is physically located in or physically
- 37 connected to that allocation area under any lease entered into
- 38 under IC 36-1-10.
- 39 (I) Reimburse public and private entities for expenses incurred
- 40 in training employees of industrial facilities that are located:
- 41 (i) in the allocation area; and
- 42 (ii) on a parcel of real property that has been classified as
- 43 industrial property under the rules of the department of local
- 44 government finance.
- 45 However, the total amount of money spent for this purpose in
- 46 any year may not exceed the total amount of money in the

1 allocation fund that is attributable to property taxes paid by the
 2 industrial facilities described in this clause. The
 3 reimbursements under this clause must be made within three
 4 (3) years after the date on which the investments that are the
 5 basis for the increment financing are made.

6 (J) Pay the costs of carrying out an eligible efficiency project
 7 (as defined in IC 36-9-41-1.5) within the unit that established
 8 the redevelopment commission. However, property tax
 9 proceeds may be used under this clause to pay the costs of
 10 carrying out an eligible efficiency project only if those
 11 property tax proceeds exceed the amount necessary to do the
 12 following:

13 (i) Make, when due, any payments required under clauses
 14 (A) through (I), including any payments of principal and
 15 interest on bonds and other obligations payable under this
 16 subdivision, any payments of premiums under this
 17 subdivision on the redemption before maturity of bonds, and
 18 any payments on leases payable under this subdivision.

19 (ii) Make any reimbursements required under this
 20 subdivision.

21 (iii) Pay any expenses required under this subdivision.

22 (iv) Establish, augment, or restore any debt service reserve
 23 under this subdivision.

24 The special fund may not be used for operating expenses of the
 25 commission.

26 (3) Before July 15 of each year, the commission shall do the
 27 following:

28 (A) Determine the amount, if any, by which the assessed value
 29 of the taxable property in the allocation area for the most
 30 recent assessment date minus the base assessed value, when
 31 multiplied by the estimated tax rate of the allocation area, will
 32 exceed the amount of assessed value needed to provide the
 33 property taxes necessary to make, when due, principal and
 34 interest payments on bonds described in subdivision (2) plus
 35 the amount necessary for other purposes described in
 36 subdivision (2) and subsection (g).

37 (B) Provide a written notice to the county auditor, the
 38 legislative body of the consolidated city, and the officers who
 39 are authorized to fix budgets, tax rates, and tax levies under
 40 IC 6-1.1-17-5 for each of the other taxing units that is wholly
 41 or partly located within the allocation area. The notice must:

42 (i) state the amount, if any, of excess assessed value that the
 43 commission has determined may be allocated to the
 44 respective taxing units in the manner prescribed in
 45 subdivision (1); or

46 (ii) state that the commission has determined that there is no

1 excess assessed value that may be allocated to the respective
2 taxing units in the manner prescribed in subdivision (1).

3 The county auditor shall allocate to the respective taxing units
4 the amount, if any, of excess assessed value determined by the
5 commission. The commission may not authorize an allocation
6 to the respective taxing units under this subdivision if to do so
7 would endanger the interests of the holders of bonds described
8 in subdivision (2).

9 (c) For the purpose of allocating taxes levied by or for any taxing
10 unit or units, the assessed value of taxable property in a territory in the
11 allocation area that is annexed by any taxing unit after the effective
12 date of the allocation provision of the resolution is the lesser of:

- 13 (1) the assessed value of the property for the assessment date with
14 respect to which the allocation and distribution is made; or
15 (2) the base assessed value.

16 (d) Property tax proceeds allocable to the redevelopment district
17 under subsection (b)(2) may, subject to subsection (b)(3), be
18 irrevocably pledged by the redevelopment district for payment as set
19 forth in subsection (b)(2).

20 (e) Notwithstanding any other law, each assessor shall, upon
21 petition of the commission, reassess the taxable property situated upon
22 or in, or added to, the allocation area, effective on the next assessment
23 date after the petition.

24 (f) Notwithstanding any other law, the assessed value of all taxable
25 property in the allocation area, for purposes of tax limitation, property
26 tax replacement, and formulation of the budget, tax rate, and tax levy
27 for each political subdivision in which the property is located is the
28 lesser of:

- 29 (1) the assessed value of the property as valued without regard to
30 this section; or
31 (2) the base assessed value.

32 (g) If any part of the allocation area is located in an enterprise zone
33 created under IC 5-28-15, the unit that designated the allocation area
34 shall create funds as specified in this subsection. A unit that has
35 obligations, bonds, or leases payable from allocated tax proceeds under
36 subsection (b)(2) shall establish an allocation fund for the purposes
37 specified in subsection (b)(2) and a special zone fund. Such a unit
38 shall, until the end of the enterprise zone phase out period, deposit each
39 year in the special zone fund the amount in the allocation fund derived
40 from property tax proceeds in excess of those described in subsection
41 (b)(1) from property located in the enterprise zone that exceeds the
42 amount sufficient for the purposes specified in subsection (b)(2) for the
43 year. A unit that has no obligations, bonds, or leases payable from
44 allocated tax proceeds under subsection (b)(2) shall establish a special
45 zone fund and deposit all the property tax proceeds in excess of those
46 described in subsection (b)(1) in the fund derived from property tax

1 proceeds in excess of those described in subsection (b)(1) from
 2 property located in the enterprise zone. The unit that creates the special
 3 zone fund shall use the fund, based on the recommendations of the
 4 urban enterprise association, for one (1) or more of the following
 5 purposes:

6 (1) To pay for programs in job training, job enrichment, and basic
 7 skill development designed to benefit residents and employers in
 8 the enterprise zone. The programs must reserve at least one-half
 9 (1/2) of the enrollment in any session for residents of the
 10 enterprise zone.

11 (2) To make loans and grants for the purpose of stimulating
 12 business activity in the enterprise zone or providing employment
 13 for enterprise zone residents in the enterprise zone. These loans
 14 and grants may be made to the following:

15 (A) Businesses operating in the enterprise zone.

16 (B) Businesses that will move their operations to the enterprise
 17 zone if such a loan or grant is made.

18 (3) To provide funds to carry out other purposes specified in
 19 subsection (b)(2). However, where reference is made in
 20 subsection (b)(2) to the allocation area, the reference refers for
 21 purposes of payments from the special zone fund only to that part
 22 of the allocation area that is also located in the enterprise zone.

23 (h) The state board of accounts and department of local government
 24 finance shall make the rules and prescribe the forms and procedures
 25 that they consider expedient for the implementation of this chapter.
 26 After each ~~general~~ reassessment **of real property in an area under a**
 27 **county's reassessment plan** under IC 6-1.1-4, the department of local
 28 government finance shall adjust the base assessed value one (1) time
 29 to neutralize any effect of the ~~general~~ reassessment **of the real**
 30 **property in the area under a county's reassessment plan** on the
 31 property tax proceeds allocated to the redevelopment district under this
 32 section. After each annual adjustment under IC 6-1.1-4-4.5, the
 33 department of local government finance shall adjust the base assessed
 34 value to neutralize any effect of the annual adjustment on the property
 35 tax proceeds allocated to the redevelopment district under this section.
 36 However, the adjustments under this subsection may not include the
 37 effect of property tax abatements under IC 6-1.1-12.1, and these
 38 adjustments may not produce less property tax proceeds allocable to
 39 the redevelopment district under subsection (b)(2) than would
 40 otherwise have been received if the ~~general~~ reassessment **under a**
 41 **county's reassessment plan** or annual adjustment had not occurred.
 42 The department of local government finance may prescribe procedures
 43 for county and township officials to follow to assist the department in
 44 making the adjustments.

45 (i) The allocation deadline referred to in subsection (b) is
 46 determined in the following manner:

- 1 (1) The initial allocation deadline is December 31, 2011.
- 2 (2) Subject to subdivision (3), the initial allocation deadline and
3 subsequent allocation deadlines are automatically extended in
4 increments of five (5) years, so that allocation deadlines
5 subsequent to the initial allocation deadline fall on December 31,
6 2016, and December 31 of each fifth year thereafter.
- 7 (3) At least one (1) year before the date of an allocation deadline
8 determined under subdivision (2), the general assembly may enact
9 a law that:
- 10 (A) terminates the automatic extension of allocation deadlines
11 under subdivision (2); and
- 12 (B) specifically designates a particular date as the final
13 allocation deadline.

14 SECTION 84. IC 36-7-15.1-53, AS AMENDED BY
15 P.L.182-2009(ss), SECTION 407, IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 53. (a) As used
17 in this section:

18 "Allocation area" means that part of a redevelopment project area
19 to which an allocation provision of a resolution adopted under section
20 40 of this chapter refers for purposes of distribution and allocation of
21 property taxes.

22 "Base assessed value" means:

- 23 (1) the net assessed value of all the property as finally determined
24 for the assessment date immediately preceding the effective date
25 of the allocation provision of the declaratory resolution, as
26 adjusted under subsection (h); plus
- 27 (2) to the extent that it is not included in subdivision (1), the net
28 assessed value of property that is assessed as residential property
29 under the rules of the department of local government finance, as
30 finally determined for any assessment date after the effective date
31 of the allocation provision.

32 Except as provided in section 55 of this chapter, "property taxes"
33 means taxes imposed under IC 6-1.1 on real property.

34 (b) A resolution adopted under section 40 of this chapter on or
35 before the allocation deadline determined under subsection (i) may
36 include a provision with respect to the allocation and distribution of
37 property taxes for the purposes and in the manner provided in this
38 section. A resolution previously adopted may include an allocation
39 provision by the amendment of that resolution on or before the
40 allocation deadline determined under subsection (i) in accordance with
41 the procedures required for its original adoption. A declaratory
42 resolution or an amendment that establishes an allocation provision
43 must be approved by resolution of the legislative body of the excluded
44 city and must specify an expiration date for the allocation provision.
45 For an allocation area established before July 1, 2008, the expiration
46 date may not be more than thirty (30) years after the date on which the

1 allocation provision is established. For an allocation area established
2 after June 30, 2008, the expiration date may not be more than
3 twenty-five (25) years after the date on which the first obligation was
4 incurred to pay principal and interest on bonds or lease rentals on
5 leases payable from tax increment revenues. However, with respect to
6 bonds or other obligations that were issued before July 1, 2008, if any
7 of the bonds or other obligations that were scheduled when issued to
8 mature before the specified expiration date and that are payable only
9 from allocated tax proceeds with respect to the allocation area remain
10 outstanding as of the expiration date, the allocation provision does not
11 expire until all of the bonds or other obligations are no longer
12 outstanding. The allocation provision may apply to all or part of the
13 redevelopment project area. The allocation provision must require that
14 any property taxes subsequently levied by or for the benefit of any
15 public body entitled to a distribution of property taxes on taxable
16 property in the allocation area be allocated and distributed as follows:

17 (1) Except as otherwise provided in this section, the proceeds of
18 the taxes attributable to the lesser of:

19 (A) the assessed value of the property for the assessment date
20 with respect to which the allocation and distribution is made;
21 or

22 (B) the base assessed value;

23 shall be allocated to and, when collected, paid into the funds of
24 the respective taxing units.

25 (2) Except as otherwise provided in this section, property tax
26 proceeds in excess of those described in subdivision (1) shall be
27 allocated to the redevelopment district and, when collected, paid
28 into a special fund for that allocation area that may be used by the
29 redevelopment district only to do one (1) or more of the
30 following:

31 (A) Pay the principal of and interest on any obligations
32 payable solely from allocated tax proceeds that are incurred by
33 the redevelopment district for the purpose of financing or
34 refinancing the redevelopment of that allocation area.

35 (B) Establish, augment, or restore the debt service reserve for
36 bonds payable solely or in part from allocated tax proceeds in
37 that allocation area.

38 (C) Pay the principal of and interest on bonds payable from
39 allocated tax proceeds in that allocation area and from the
40 special tax levied under section 50 of this chapter.

41 (D) Pay the principal of and interest on bonds issued by the
42 excluded city to pay for local public improvements that are
43 physically located in or physically connected to that allocation
44 area.

45 (E) Pay premiums on the redemption before maturity of bonds
46 payable solely or in part from allocated tax proceeds in that

- 1 allocation area.
- 2 (F) Make payments on leases payable from allocated tax
- 3 proceeds in that allocation area under section 46 of this
- 4 chapter.
- 5 (G) Reimburse the excluded city for expenditures for local
- 6 public improvements (which include buildings, park facilities,
- 7 and other items set forth in section 45 of this chapter) that are
- 8 physically located in or physically connected to that allocation
- 9 area.
- 10 (H) Reimburse the unit for rentals paid by it for a building or
- 11 parking facility that is physically located in or physically
- 12 connected to that allocation area under any lease entered into
- 13 under IC 36-1-10.
- 14 (I) Reimburse public and private entities for expenses incurred
- 15 in training employees of industrial facilities that are located:
- 16 (i) in the allocation area; and
- 17 (ii) on a parcel of real property that has been classified as
- 18 industrial property under the rules of the department of local
- 19 government finance.
- 20 However, the total amount of money spent for this purpose in
- 21 any year may not exceed the total amount of money in the
- 22 allocation fund that is attributable to property taxes paid by the
- 23 industrial facilities described in this clause. The
- 24 reimbursements under this clause must be made within three
- 25 (3) years after the date on which the investments that are the
- 26 basis for the increment financing are made.
- 27 The special fund may not be used for operating expenses of the
- 28 commission.
- 29 (3) Before July 15 of each year, the commission shall do the
- 30 following:
- 31 (A) Determine the amount, if any, by which the assessed value
- 32 of the taxable property in the allocation area for the most
- 33 recent assessment date minus the base assessed value, when
- 34 multiplied by the estimated tax rate of the allocation area, will
- 35 exceed the amount of assessed value needed to provide the
- 36 property taxes necessary to make, when due, principal and
- 37 interest payments on bonds described in subdivision (2) plus
- 38 the amount necessary for other purposes described in
- 39 subdivision (2) and subsection (g).
- 40 (B) Provide a written notice to the county auditor, the fiscal
- 41 body of the county or municipality that established the
- 42 department of redevelopment, and the officers who are
- 43 authorized to fix budgets, tax rates, and tax levies under
- 44 IC 6-1.1-17-5 for each of the other taxing units that is wholly
- 45 or partly located within the allocation area. The notice must:
- 46 (i) state the amount, if any, of excess assessed value that the

- 1 commission has determined may be allocated to the
 2 respective taxing units in the manner prescribed in
 3 subdivision (1); or
 4 (ii) state that the commission has determined that there is no
 5 excess assessed value that may be allocated to the respective
 6 taxing units in the manner prescribed in subdivision (1).
 7 The county auditor shall allocate to the respective taxing units
 8 the amount, if any, of excess assessed value determined by the
 9 commission. The commission may not authorize an allocation
 10 to the respective taxing units under this subdivision if to do so
 11 would endanger the interests of the holders of bonds described
 12 in subdivision (2).
- 13 (c) For the purpose of allocating taxes levied by or for any taxing
 14 unit or units, the assessed value of taxable property in a territory in the
 15 allocation area that is annexed by any taxing unit after the effective
 16 date of the allocation provision of the resolution is the lesser of:
 17 (1) the assessed value of the property for the assessment date with
 18 respect to which the allocation and distribution is made; or
 19 (2) the base assessed value.
- 20 (d) Property tax proceeds allocable to the redevelopment district
 21 under subsection (b)(2) may, subject to subsection (b)(3), be
 22 irrevocably pledged by the redevelopment district for payment as set
 23 forth in subsection (b)(2).
- 24 (e) Notwithstanding any other law, each assessor shall, upon
 25 petition of the commission, reassess the taxable property situated upon
 26 or in, or added to, the allocation area, effective on the next assessment
 27 date after the petition.
- 28 (f) Notwithstanding any other law, the assessed value of all taxable
 29 property in the allocation area, for purposes of tax limitation, property
 30 tax replacement, and formulation of the budget, tax rate, and tax levy
 31 for each political subdivision in which the property is located, is the
 32 lesser of:
 33 (1) the assessed value of the property as valued without regard to
 34 this section; or
 35 (2) the base assessed value.
- 36 (g) If any part of the allocation area is located in an enterprise zone
 37 created under IC 5-28-15, the unit that designated the allocation area
 38 shall create funds as specified in this subsection. A unit that has
 39 obligations, bonds, or leases payable from allocated tax proceeds under
 40 subsection (b)(2) shall establish an allocation fund for the purposes
 41 specified in subsection (b)(2) and a special zone fund. Such a unit
 42 shall, until the end of the enterprise zone phase out period, deposit each
 43 year in the special zone fund the amount in the allocation fund derived
 44 from property tax proceeds in excess of those described in subsection
 45 (b)(1) from property located in the enterprise zone that exceeds the
 46 amount sufficient for the purposes specified in subsection (b)(2) for the

1 year. A unit that has no obligations, bonds, or leases payable from
 2 allocated tax proceeds under subsection (b)(2) shall establish a special
 3 zone fund and deposit all the property tax proceeds in excess of those
 4 described in subsection (b)(1) in the fund derived from property tax
 5 proceeds in excess of those described in subsection (b)(1) from
 6 property located in the enterprise zone. The unit that creates the special
 7 zone fund shall use the fund, based on the recommendations of the
 8 urban enterprise association, for one (1) or more of the following
 9 purposes:

10 (1) To pay for programs in job training, job enrichment, and basic
 11 skill development designed to benefit residents and employers in
 12 the enterprise zone. The programs must reserve at least one-half
 13 (1/2) of the enrollment in any session for residents of the
 14 enterprise zone.

15 (2) To make loans and grants for the purpose of stimulating
 16 business activity in the enterprise zone or providing employment
 17 for enterprise zone residents in an enterprise zone. These loans
 18 and grants may be made to the following:

19 (A) Businesses operating in the enterprise zone.

20 (B) Businesses that will move their operations to the enterprise
 21 zone if such a loan or grant is made.

22 (3) To provide funds to carry out other purposes specified in
 23 subsection (b)(2). However, where reference is made in
 24 subsection (b)(2) to the allocation area, the reference refers, for
 25 purposes of payments from the special zone fund, only to that part
 26 of the allocation area that is also located in the enterprise zone.

27 (h) The state board of accounts and department of local government
 28 finance shall make the rules and prescribe the forms and procedures
 29 that they consider expedient for the implementation of this chapter.
 30 After each ~~general~~ reassessment of real property in an area under a
 31 **county's reassessment plan** under IC 6-1.1-4, the department of local
 32 government finance shall adjust the base assessed value one (1) time
 33 to neutralize any effect of the ~~general~~ reassessment of the **real**
 34 **property in the area under a county's reassessment plan** on the
 35 property tax proceeds allocated to the redevelopment district under this
 36 section. After each annual adjustment under IC 6-1.1-4-4.5, the
 37 department of local government finance shall adjust the base assessed
 38 value to neutralize any effect of the annual adjustment on the property
 39 tax proceeds allocated to the redevelopment district under this section.
 40 However, the adjustments under this subsection may not include the
 41 effect of property tax abatements under IC 6-1.1-12.1, and these
 42 adjustments may not produce less property tax proceeds allocable to
 43 the redevelopment district under subsection (b)(2) than would
 44 otherwise have been received if the ~~general~~ reassessment **under a**
 45 **county's reassessment plan** or annual adjustment had not occurred.
 46 The department of local government finance may prescribe procedures

1 for county and township officials to follow to assist the department in
2 making the adjustments.

3 (i) The allocation deadline referred to in subsection (b) is
4 determined in the following manner:

5 (1) The initial allocation deadline is December 31, 2011.

6 (2) Subject to subdivision (3), the initial allocation deadline and
7 subsequent allocation deadlines are automatically extended in
8 increments of five (5) years, so that allocation deadlines
9 subsequent to the initial allocation deadline fall on December 31,
10 2016, and December 31 of each fifth year thereafter.

11 (3) At least one (1) year before the date of an allocation deadline
12 determined under subdivision (2), the general assembly may enact
13 a law that:

14 (A) terminates the automatic extension of allocation deadlines
15 under subdivision (2); and

16 (B) specifically designates a particular date as the final
17 allocation deadline.

18 SECTION 85. IC 36-7-30-25, AS AMENDED BY P.L.146-2008,
19 SECTION 770, IS AMENDED TO READ AS FOLLOWS
20 [EFFECTIVE JANUARY 1, 2011]: Sec. 25. (a) The following
21 definitions apply throughout this section:

22 (1) "Allocation area" means that part of a military base reuse area
23 to which an allocation provision of a declaratory resolution
24 adopted under section 10 of this chapter refers for purposes of
25 distribution and allocation of property taxes.

26 (2) "Base assessed value" means:

27 (A) the net assessed value of all the property as finally
28 determined for the assessment date immediately preceding the
29 adoption date of the allocation provision of the declaratory
30 resolution, as adjusted under subsection (h); plus

31 (B) to the extent that it is not included in clause (A) or (C), the
32 net assessed value of any and all parcels or classes of parcels
33 identified as part of the base assessed value in the declaratory
34 resolution or an amendment thereto, as finally determined for
35 any subsequent assessment date; plus

36 (C) to the extent that it is not included in clause (A) or (B), the
37 net assessed value of property that is assessed as residential
38 property under the rules of the department of local government
39 finance, as finally determined for any assessment date after the
40 effective date of the allocation provision.

41 Clause (C) applies only to allocation areas established in a
42 military reuse area after June 30, 1997, and to the part of an
43 allocation area that was established before June 30, 1997, and that
44 is added to an existing allocation area after June 30, 1997.

45 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
46 property.

1 (b) A declaratory resolution adopted under section 10 of this chapter
2 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
3 resolutions adopted under IC 36-7-14-15 may include a provision with
4 respect to the allocation and distribution of property taxes for the
5 purposes and in the manner provided in this section. A declaratory
6 resolution previously adopted may include an allocation provision by
7 the amendment of that declaratory resolution in accordance with the
8 procedures set forth in section 13 of this chapter. The allocation
9 provision may apply to all or part of the military base reuse area. The
10 allocation provision must require that any property taxes subsequently
11 levied by or for the benefit of any public body entitled to a distribution
12 of property taxes on taxable property in the allocation area be allocated
13 and distributed as follows:

14 (1) Except as otherwise provided in this section, the proceeds of
15 the taxes attributable to the lesser of:

16 (A) the assessed value of the property for the assessment date
17 with respect to which the allocation and distribution is made;

18 or

19 (B) the base assessed value;

20 shall be allocated to and, when collected, paid into the funds of
21 the respective taxing units.

22 (2) Except as otherwise provided in this section, property tax
23 proceeds in excess of those described in subdivision (1) shall be
24 allocated to the military base reuse district and, when collected,
25 paid into an allocation fund for that allocation area that may be
26 used by the military base reuse district and only to do one (1) or
27 more of the following:

28 (A) Pay the principal of and interest and redemption premium
29 on any obligations incurred by the military base reuse district
30 or any other entity for the purpose of financing or refinancing
31 military base reuse activities in or directly serving or
32 benefiting that allocation area.

33 (B) Establish, augment, or restore the debt service reserve for
34 bonds payable solely or in part from allocated tax proceeds in
35 that allocation area or from other revenues of the reuse
36 authority, including lease rental revenues.

37 (C) Make payments on leases payable solely or in part from
38 allocated tax proceeds in that allocation area.

39 (D) Reimburse any other governmental body for expenditures
40 made for local public improvements (or structures) in or
41 directly serving or benefiting that allocation area.

42 (E) For property taxes first due and payable before 2009, pay
43 all or a part of a property tax replacement credit to taxpayers
44 in an allocation area as determined by the reuse authority. This
45 credit equals the amount determined under the following
46 STEPS for each taxpayer in a taxing district (as defined in

1 IC 6-1.1-1-20) that contains all or part of the allocation area:
 2 STEP ONE: Determine that part of the sum of the amounts
 3 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
 4 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
 5 IC 6-1.1-21-2(g)(5) **(before their repeal)** that is attributable
 6 to the taxing district.

7 STEP TWO: Divide:

8 (i) that part of each county's eligible property tax
 9 replacement amount (as defined in IC 6-1.1-21-2
 10 **(repealed)**) for that year as determined under IC 6-1.1-21-4
 11 that is attributable to the taxing district; by

12 (ii) the STEP ONE sum.

13 STEP THREE: Multiply:

14 (i) the STEP TWO quotient; times

15 (ii) the total amount of the taxpayer's taxes (as defined in
 16 IC 6-1.1-21-2 **(repealed)**) levied in the taxing district that
 17 have been allocated during that year to an allocation fund
 18 under this section.

19 If not all the taxpayers in an allocation area receive the credit
 20 in full, each taxpayer in the allocation area is entitled to
 21 receive the same proportion of the credit. A taxpayer may not
 22 receive a credit under this section and a credit under section
 23 27 of this chapter (before its repeal) in the same year.

24 (F) Pay expenses incurred by the reuse authority for local
 25 public improvements or structures that were in the allocation
 26 area or directly serving or benefiting the allocation area.

27 (G) Reimburse public and private entities for expenses
 28 incurred in training employees of industrial facilities that are
 29 located:

30 (i) in the allocation area; and

31 (ii) on a parcel of real property that has been classified as
 32 industrial property under the rules of the department of local
 33 government finance.

34 However, the total amount of money spent for this purpose in
 35 any year may not exceed the total amount of money in the
 36 allocation fund that is attributable to property taxes paid by the
 37 industrial facilities described in this clause. The
 38 reimbursements under this clause must be made not more than
 39 three (3) years after the date on which the investments that are
 40 the basis for the increment financing are made.

41 The allocation fund may not be used for operating expenses of the
 42 reuse authority.

43 (3) Except as provided in subsection (g), before July 15 of each
 44 year the reuse authority shall do the following:

45 (A) Determine the amount, if any, by which property taxes
 46 payable to the allocation fund in the following year will exceed

- 1 the amount of property taxes necessary to make, when due,
 2 principal and interest payments on bonds described in
 3 subdivision (2) plus the amount necessary for other purposes
 4 described in subdivision (2).
- 5 (B) Provide a written notice to the county auditor, the fiscal
 6 body of the unit that established the reuse authority, and the
 7 officers who are authorized to fix budgets, tax rates, and tax
 8 levies under IC 6-1.1-17-5 for each of the other taxing units
 9 that is wholly or partly located within the allocation area. The
 10 notice must:
- 11 (i) state the amount, if any, of excess property taxes that the
 12 reuse authority has determined may be paid to the respective
 13 taxing units in the manner prescribed in subdivision (1); or
 14 (ii) state that the reuse authority has determined that there
 15 are no excess property tax proceeds that may be allocated to
 16 the respective taxing units in the manner prescribed in
 17 subdivision (1).
- 18 The county auditor shall allocate to the respective taxing units
 19 the amount, if any, of excess property tax proceeds determined
 20 by the reuse authority. The reuse authority may not authorize
 21 a payment to the respective taxing units under this subdivision
 22 if to do so would endanger the interest of the holders of bonds
 23 described in subdivision (2) or lessors under section 19 of this
 24 chapter. Property taxes received by a taxing unit under this
 25 subdivision before 2009 are eligible for the property tax
 26 replacement credit provided under IC 6-1.1-21.
- 27 (c) For the purpose of allocating taxes levied by or for any taxing
 28 unit or units, the assessed value of taxable property in a territory in the
 29 allocation area that is annexed by a taxing unit after the effective date
 30 of the allocation provision of the declaratory resolution is the lesser of:
 31 (1) the assessed value of the property for the assessment date with
 32 respect to which the allocation and distribution is made; or
 33 (2) the base assessed value.
- 34 (d) Property tax proceeds allocable to the military base reuse district
 35 under subsection (b)(2) may, subject to subsection (b)(3), be
 36 irrevocably pledged by the military base reuse district for payment as
 37 set forth in subsection (b)(2).
- 38 (e) Notwithstanding any other law, each assessor shall, upon
 39 petition of the reuse authority, reassess the taxable property situated
 40 upon or in or added to the allocation area, effective on the next
 41 assessment date after the petition.
- 42 (f) Notwithstanding any other law, the assessed value of all taxable
 43 property in the allocation area, for purposes of tax limitation, property
 44 tax replacement, and the making of the budget, tax rate, and tax levy
 45 for each political subdivision in which the property is located is the
 46 lesser of:

1 (1) the assessed value of the property as valued without regard to
2 this section; or

3 (2) the base assessed value.

4 (g) If any part of the allocation area is located in an enterprise zone
5 created under IC 5-28-15, the unit that designated the allocation area
6 shall create funds as specified in this subsection. A unit that has
7 obligations, bonds, or leases payable from allocated tax proceeds under
8 subsection (b)(2) shall establish an allocation fund for the purposes
9 specified in subsection (b)(2) and a special zone fund. Such a unit
10 shall, until the end of the enterprise zone phase out period, deposit each
11 year in the special zone fund any amount in the allocation fund derived
12 from property tax proceeds in excess of those described in subsection
13 (b)(1) from property located in the enterprise zone that exceeds the
14 amount sufficient for the purposes specified in subsection (b)(2) for the
15 year. The amount sufficient for purposes specified in subsection (b)(2)
16 for the year shall be determined based on the pro rata part of such
17 current property tax proceeds from the part of the enterprise zone that
18 is within the allocation area as compared to all such current property
19 tax proceeds derived from the allocation area. A unit that does not have
20 obligations, bonds, or leases payable from allocated tax proceeds under
21 subsection (b)(2) shall establish a special zone fund and deposit all the
22 property tax proceeds in excess of those described in subsection (b)(1)
23 that are derived from property in the enterprise zone in the fund. The
24 unit that creates the special zone fund shall use the fund (based on the
25 recommendations of the urban enterprise association) for programs in
26 job training, job enrichment, and basic skill development that are
27 designed to benefit residents and employers in the enterprise zone or
28 other purposes specified in subsection (b)(2), except that where
29 reference is made in subsection (b)(2) to allocation area it shall refer
30 for purposes of payments from the special zone fund only to that part
31 of the allocation area that is also located in the enterprise zone. The
32 programs shall reserve at least one-half (1/2) of their enrollment in any
33 session for residents of the enterprise zone.

34 (h) After each ~~general~~ **reassessment of real property in an area**
35 **under a county's reassessment plan** under IC 6-1.1-4, the department
36 of local government finance shall adjust the base assessed value one (1)
37 time to neutralize any effect of the ~~general~~ **reassessment of the real**
38 **property in the area under a county's reassessment plan** on the
39 property tax proceeds allocated to the military base reuse district under
40 this section. After each annual adjustment under IC 6-1.1-4-4.5, the
41 department of local government finance shall adjust the base assessed
42 value to neutralize any effect of the annual adjustment on the property
43 tax proceeds allocated to the military base reuse district under this
44 section. However, the adjustments under this subsection may not
45 include the effect of property tax abatements under IC 6-1.1-12.1, and
46 these adjustments may not produce less property tax proceeds allocable

1 to the military base reuse district under subsection (b)(2) than would
 2 otherwise have been received if the ~~general~~ reassessment **under a**
 3 **county's reassessment plan** or annual adjustment had not occurred.
 4 The department of local government finance may prescribe procedures
 5 for county and township officials to follow to assist the department in
 6 making the adjustments.

7 SECTION 86. IC 36-7-30.5-30, AS AMENDED BY P.L.146-2008,
 8 SECTION 772, IS AMENDED TO READ AS FOLLOWS
 9 [EFFECTIVE JANUARY 1, 2011]: Sec. 30. (a) The following
 10 definitions apply throughout this section:

11 (1) "Allocation area" means that part of a military base
 12 development area to which an allocation provision of a
 13 declaratory resolution adopted under section 16 of this chapter
 14 refers for purposes of distribution and allocation of property taxes.

15 (2) "Base assessed value" means:

16 (A) the net assessed value of all the property as finally
 17 determined for the assessment date immediately preceding the
 18 adoption date of the allocation provision of the declaratory
 19 resolution, as adjusted under subsection (h); plus

20 (B) to the extent that it is not included in clause (A) or (C), the
 21 net assessed value of any and all parcels or classes of parcels
 22 identified as part of the base assessed value in the declaratory
 23 resolution or an amendment to the declaratory resolution, as
 24 finally determined for any subsequent assessment date; plus

25 (C) to the extent that it is not included in clause (A) or (B), the
 26 net assessed value of property that is assessed as residential
 27 property under the rules of the department of local government
 28 finance, as finally determined for any assessment date after the
 29 effective date of the allocation provision.

30 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
 31 property.

32 (b) A declaratory resolution adopted under section 16 of this chapter
 33 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
 34 resolutions adopted under IC 36-7-14-15 may include a provision with
 35 respect to the allocation and distribution of property taxes for the
 36 purposes and in the manner provided in this section. A declaratory
 37 resolution previously adopted may include an allocation provision by
 38 the amendment of that declaratory resolution in accordance with the
 39 procedures set forth in section 18 of this chapter. The allocation
 40 provision may apply to all or part of the military base development
 41 area. The allocation provision must require that any property taxes
 42 subsequently levied by or for the benefit of any public body entitled to
 43 a distribution of property taxes on taxable property in the allocation
 44 area be allocated and distributed as follows:

45 (1) Except as otherwise provided in this section, the proceeds of
 46 the taxes attributable to the lesser of:

- 1 (A) the assessed value of the property for the assessment date
 2 with respect to which the allocation and distribution is made;
 3 or
 4 (B) the base assessed value;
 5 shall be allocated to and, when collected, paid into the funds of
 6 the respective taxing units.
- 7 (2) Except as otherwise provided in this section, property tax
 8 proceeds in excess of those described in subdivision (1) shall be
 9 allocated to the development authority and, when collected, paid
 10 into an allocation fund for that allocation area that may be used by
 11 the development authority and only to do one (1) or more of the
 12 following:
- 13 (A) Pay the principal of and interest and redemption premium
 14 on any obligations incurred by the development authority or
 15 any other entity for the purpose of financing or refinancing
 16 military base development or reuse activities in or directly
 17 serving or ~~benefitting~~ **benefiting** that allocation area.
- 18 (B) Establish, augment, or restore the debt service reserve for
 19 bonds payable solely or in part from allocated tax proceeds in
 20 that allocation area or from other revenues of the development
 21 authority, including lease rental revenues.
- 22 (C) Make payments on leases payable solely or in part from
 23 allocated tax proceeds in that allocation area.
- 24 (D) Reimburse any other governmental body for expenditures
 25 made for local public improvements (or structures) in or
 26 directly serving or ~~benefitting~~ **benefiting** that allocation area.
- 27 (E) For property taxes first due and payable before 2009, pay
 28 all or a part of a property tax replacement credit to taxpayers
 29 in an allocation area as determined by the development
 30 authority. This credit equals the amount determined under the
 31 following STEPS for each taxpayer in a taxing district (as
 32 defined in IC 6-1.1-1-20) that contains all or part of the
 33 allocation area:
- 34 STEP ONE: Determine that part of the sum of the amounts
 35 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
 36 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
 37 IC 6-1.1-21-2(g)(5) (**before their repeal**) that is attributable
 38 to the taxing district.
- 39 STEP TWO: Divide:
- 40 (i) that part of each county's eligible property tax
 41 replacement amount (as defined in IC 6-1.1-21-2
 42 (**repealed**)) for that year as determined under IC 6-1.1-21-4
 43 that is attributable to the taxing district; by
 44 (ii) the STEP ONE sum.
- 45 STEP THREE: Multiply:
- 46 (i) the STEP TWO quotient; by

1 (ii) the total amount of the taxpayer's taxes (as defined in
2 IC 6-1.1-21-2 **(repealed)**) levied in the taxing district that
3 have been allocated during that year to an allocation fund
4 under this section.

5 If not all the taxpayers in an allocation area receive the credit
6 in full, each taxpayer in the allocation area is entitled to
7 receive the same proportion of the credit. A taxpayer may not
8 receive a credit under this section and a credit under section
9 32 of this chapter (before its repeal) in the same year.

10 (F) Pay expenses incurred by the development authority for
11 local public improvements or structures that were in the
12 allocation area or directly serving or ~~benefitting~~ **benefiting** the
13 allocation area.

14 (G) Reimburse public and private entities for expenses
15 incurred in training employees of industrial facilities that are
16 located:

- 17 (i) in the allocation area; and
- 18 (ii) on a parcel of real property that has been classified as
19 industrial property under the rules of the department of local
20 government finance.

21 However, the total amount of money spent for this purpose in
22 any year may not exceed the total amount of money in the
23 allocation fund that is attributable to property taxes paid by the
24 industrial facilities described in this clause. The
25 reimbursements under this clause must be made not more than
26 three (3) years after the date on which the investments that are
27 the basis for the increment financing are made.

28 The allocation fund may not be used for operating expenses of the
29 development authority.

30 (3) Except as provided in subsection (g), before July 15 of each
31 year the development authority shall do the following:

32 (A) Determine the amount, if any, by which property taxes
33 payable to the allocation fund in the following year will exceed
34 the amount of property taxes necessary to make, when due,
35 principal and interest payments on bonds described in
36 subdivision (2) plus the amount necessary for other purposes
37 described in subdivision (2).

38 (B) Provide a written notice to the appropriate county auditors
39 and the fiscal bodies and other officers who are authorized to
40 fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for
41 each of the other taxing units that is wholly or partly located
42 within the allocation area. The notice must:

- 43 (i) state the amount, if any, of the excess property taxes that
44 the development authority has determined may be paid to
45 the respective taxing units in the manner prescribed in
46 subdivision (1); or

1 (ii) state that the development authority has determined that
2 there is no excess assessed value that may be allocated to the
3 respective taxing units in the manner prescribed in
4 subdivision (1).

5 The county auditors shall allocate to the respective taxing units
6 the amount, if any, of excess assessed value determined by the
7 development authority. The development authority may not
8 authorize a payment to the respective taxing units under this
9 subdivision if to do so would endanger the interest of the
10 holders of bonds described in subdivision (2) or lessors under
11 section 24 of this chapter. Property taxes received by a taxing
12 unit under this subdivision before 2009 are eligible for the
13 property tax replacement credit provided under IC 6-1.1-21.

14 (c) For the purpose of allocating taxes levied by or for any taxing
15 unit or units, the assessed value of taxable property in a territory in the
16 allocation area that is annexed by a taxing unit after the effective date
17 of the allocation provision of the declaratory resolution is the lesser of:

- 18 (1) the assessed value of the property for the assessment date with
19 respect to which the allocation and distribution is made; or
20 (2) the base assessed value.

21 (d) Property tax proceeds allocable to the military base development
22 district under subsection (b)(2) may, subject to subsection (b)(3), be
23 irrevocably pledged by the military base development district for
24 payment as set forth in subsection (b)(2).

25 (e) Notwithstanding any other law, each assessor shall, upon
26 petition of the development authority, reassess the taxable property
27 situated upon or in or added to the allocation area, effective on the next
28 assessment date after the petition.

29 (f) Notwithstanding any other law, the assessed value of all taxable
30 property in the allocation area, for purposes of tax limitation, property
31 tax replacement, and the making of the budget, tax rate, and tax levy
32 for each political subdivision in which the property is located is the
33 lesser of:

- 34 (1) the assessed value of the property as valued without regard to
35 this section; or
36 (2) the base assessed value.

37 (g) If any part of the allocation area is located in an enterprise zone
38 created under IC 5-28-15, the development authority shall create funds
39 as specified in this subsection. A development authority that has
40 obligations, bonds, or leases payable from allocated tax proceeds under
41 subsection (b)(2) shall establish an allocation fund for the purposes
42 specified in subsection (b)(2) and a special zone fund. The
43 development authority shall, until the end of the enterprise zone phase
44 out period, deposit each year in the special zone fund any amount in the
45 allocation fund derived from property tax proceeds in excess of those
46 described in subsection (b)(1) from property located in the enterprise

1 zone that exceeds the amount sufficient for the purposes specified in
 2 subsection (b)(2) for the year. The amount sufficient for purposes
 3 specified in subsection (b)(2) for the year shall be determined based on
 4 the pro rata part of such current property tax proceeds from the part of
 5 the enterprise zone that is within the allocation area as compared to all
 6 such current property tax proceeds derived from the allocation area. A
 7 development authority that does not have obligations, bonds, or leases
 8 payable from allocated tax proceeds under subsection (b)(2) shall
 9 establish a special zone fund and deposit all the property tax proceeds
 10 in excess of those described in subsection (b)(1) that are derived from
 11 property in the enterprise zone in the fund. The development authority
 12 that creates the special zone fund shall use the fund (based on the
 13 recommendations of the urban enterprise association) for programs in
 14 job training, job enrichment, and basic skill development that are
 15 designed to benefit residents and employers in the enterprise zone or
 16 for other purposes specified in subsection (b)(2), except that where
 17 reference is made in subsection (b)(2) to an allocation area it shall refer
 18 for purposes of payments from the special zone fund only to that part
 19 of the allocation area that is also located in the enterprise zone. The
 20 programs shall reserve at least one-half (1/2) of their enrollment in any
 21 session for residents of the enterprise zone.

22 (h) After each ~~general~~ **reassessment of real property in an area**
 23 **under a county's reassessment plan** under IC 6-1.1-4, the department
 24 of local government finance shall adjust the base assessed value one (1)
 25 time to neutralize any effect of the ~~general~~ **reassessment of the real**
 26 **property in the area under a county's reassessment plan** on the
 27 property tax proceeds allocated to the military base development
 28 district under this section. After each annual adjustment under
 29 IC 6-1.1-4-4.5, the department of local government finance shall adjust
 30 the base assessed value to neutralize any effect of the annual
 31 adjustment on the property tax proceeds allocated to the military base
 32 development district under this section. However, the adjustments
 33 under this subsection may not include the effect of property tax
 34 abatements under IC 6-1.1-12.1, and these adjustments may not
 35 produce less property tax proceeds allocable to the military base
 36 development district under subsection (b)(2) than would otherwise
 37 have been received if the ~~general~~ **reassessment under a county's**
 38 **reassessment plan** or annual adjustment had not occurred. The
 39 department of local government finance may prescribe procedures for
 40 county and township officials to follow to assist the department in
 41 making the adjustments.

42 SECTION 87. IC 36-7-32-19, AS AMENDED BY P.L.154-2006,
 43 SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 44 JANUARY 1, 2011]: Sec. 19. (a) The state board of accounts and
 45 department of local government finance shall make the rules and
 46 prescribe the forms and procedures that the state board of accounts and

1 department of local government finance consider appropriate for the
2 implementation of an allocation area under this chapter.
3 (b) After each ~~general~~ reassessment **of real property in an area**
4 **under a county's reassessment plan** under IC 6-1.1-4, the department
5 of local government finance shall adjust the base assessed value one (1)
6 time to neutralize any effect of the ~~general~~ reassessment **of the real**
7 **property in the area under a county's reassessment plan** on the
8 property tax proceeds allocated to the certified technology park fund
9 under section 17 of this chapter. After each annual adjustment under
10 IC 6-1.1-4-4.5, the department of local government finance shall adjust
11 the base assessed value to neutralize any effect of the annual
12 adjustment on the property tax proceeds allocated to the certified
13 technology park fund under section 17 of this chapter."
14 Renumber all SECTIONS consecutively.
(Reference is to EHB 1086 as printed February 19, 2010.)

Senator HERSHMAN