



Reprinted
February 18, 2011

HOUSE BILL No. 1270

DIGEST OF HB 1270 (Updated February 17, 2011 10:55 am - DI 92)

Citations Affected: IC 6-1.1; noncode.

Synopsis: Property taxes. Provides that the property tax exemption for fraternity or sorority property applies to property used for administrative purposes including property owned by a national or international headquarters, fraternity or sorority foundations, and housing corporations. Establishes standards for determining when a cooperative housing corporation is eligible for a standard deduction or a 1% circuit breaker credit. Specifies the terms that a contract for the purchase of real property must include to qualify the buyer for certain property tax deductions. Defines a contract containing the required terms as a qualified installment contract. Provides that a person who: (1) owns property subject to taxation; (2) misrepresents a residential lease as a qualified installment contract; and (3) through the person's misrepresentation causes another individual to improperly claim a deduction that is made available to a buyer under a qualified installment contract; is liable for any additional taxes that would have been due on the property if the person had leased the property to the purported contract buyer, plus a civil penalty equal to 10% of the additional taxes due. Provides for the retroactive application of a property tax exemption to a taxpayer that owns real and personal property used as part of or in connection with a men's cooperative house.

Effective: January 1, 2008 (retroactive); March 1, 2011 (retroactive); July 1, 2011.

Pryor, Smith M, Porter

January 12, 2011, read first time and referred to Committee on Ways and Means.
February 14, 2011, amended, reported — Do Pass.
February 17, 2011, read second time, amended, ordered engrossed.

HB 1270—LS 7443/DI 51+



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First Regular Session 117th General Assembly (2011)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2010 Regular Session of the General Assembly.

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HOUSE BILL No. 1270

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

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

- 1 SECTION 1. IC 6-1.1-1-14.5 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2011]: **Sec. 14.5. (a) "Qualified installment**
4 **contract" means the following:**
5 (1) **A contract for the purchase of real property that complies**
6 **with each of the requirements in subsection (b).**
7 (2) **A contract for:**
8 (A) **the purchase of a mobile home not assessed as real**
9 **property; or**
10 (B) **a manufactured home that is not assessed as real**
11 **property;**
12 **that complies with each of the requirements in subsection (c).**
13 (b) **A contract for the purchase of real property is a qualified**
14 **installment contract if the contract complies with each of the**
15 **following requirements:**
16 (1) **The contract or a memorandum of the contract is**
17 **recorded in the county recorder's office of the county in which**



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- the real property is located.
- (2) The contract requires the buyer to pay the property taxes on the real property.
- (3) The contract specifies the total contract price.
- (4) The contract requires the seller to issue a deed or other evidence of title to the buyer upon the buyer's payment of the total contract price.

(c) A contract for the purchase of a mobile home not assessed as real property or a manufactured home that is not assessed as real property is a qualified installment contract if the contract complies with each of the following requirements:

- (1) The contract or a memorandum of the contract is recorded with the county recorder's office of the county in which the mobile home or manufactured home is located.
- (2) The contract requires the buyer to pay the property taxes on the mobile home or manufactured home.

SECTION 2. IC 6-1.1-10-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:

Sec. 24. (a) Subject to the limitations contained in subsection (b) of this section, the following tangible property is exempt from property taxation if it is owned by a fraternity or sorority:

- (1) a tract of land; ~~not exceeding one (1) acre;~~
- (2) the improvements situated on the tract of land; and
- (3) all personal property.

(b) This exemption does not apply unless:

- (1) the fraternity or sorority is connected with **or related to**, and under the supervision of, a college, university, or other educational institution; ~~and or~~
- (2) the property is used exclusively by the fraternity or sorority to carry out its purpose, **including as an international, national, state, or local headquarters or to support the administrative, executive, or other functions associated with the operation of a fraternity or sorority.**

(c) For purposes of this section, "fraternity or sorority" includes:

- (1) a fraternity or sorority that is connected with or related to, and under the supervision of, a college, university, or other educational institution;
- (2) an international, national, state, or local fraternity or sorority that administers, coordinates, operates, or governs fraternity or sorority chapters, units, divisions, or other groups or group members that are connected with or related

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- 1 **to, and under the supervision of, a college, university, or other**
- 2 **educational institution;**
- 3 **(3) a foundation related to a fraternity or sorority; or**
- 4 **(4) a housing corporation or similar entity related to a**
- 5 **fraternity or sorority.**

6 **(d) To qualify for the exemption allowed by this section, the**
 7 **property may be owned, occupied, or used by more than one (1)**
 8 **fraternity or sorority, as long as the property is used to carry out**
 9 **the purposes of fraternities or sororities.**

10 SECTION 3. IC 6-1.1-11-4, AS AMENDED BY P.L.182-2009(ss),
 11 SECTION 107, IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 4. (a) The
 13 exemption application referred to in section 3 of this chapter is not
 14 required if the exempt property is owned by the United States, the state,
 15 an agency of this state, or a political subdivision (as defined in
 16 IC 36-1-2-13). However, this subsection applies only when the property
 17 is used, and in the case of real property occupied, by the owner.

18 (b) The exemption application referred to in section 3 of this chapter
 19 is not required if the exempt property is a cemetery:

- 20 (1) described by IC 6-1.1-2-7; or
- 21 (2) maintained by a township executive under IC 23-14-68.

22 (c) The exemption application referred to in section 3 of this chapter
 23 is not required if the exempt property is owned by the bureau of motor
 24 vehicles commission established under IC 9-15-1.

25 (d) The exemption application referred to in section 3 or 3.5 of this
 26 chapter is not required if:

- 27 (1) the exempt property is:
 - 28 (A) tangible property used for religious purposes described in
 - 29 IC 6-1.1-10-21;
 - 30 (B) tangible property owned by a church or religious society
 - 31 used for educational purposes described in IC 6-1.1-10-16; ~~or~~
 - 32 (C) other tangible property owned, occupied, and used by a
 - 33 person for educational, literary, scientific, religious, or
 - 34 charitable purposes described in IC 6-1.1-10-16; ~~or~~
 - 35 **(D) other tangible property owned by a fraternity or**
 - 36 **sorority (as defined in IC 6-1.1-10-24).**
- 37 (2) the exemption application referred to in section 3 or 3.5 of this
- 38 chapter was filed properly at least once for a religious use under
- 39 IC 6-1.1-10-21, ~~or~~ an educational, literary, scientific, religious, or
- 40 charitable use under IC 6-1.1-10-16, **or use by a fraternity or**
- 41 **sorority under IC 6-1.1-10-24; and**
- 42 (3) the property continues to meet the requirements for an

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1 exemption under IC 6-1.1-10-16, ~~or~~ IC 6-1.1-10-21, **or**
 2 **IC 6-1.1-10-24.**
 3 A change in ownership of property does not terminate an exemption of
 4 the property if after the change in ownership the property continues to
 5 meet the requirements for an exemption under IC 6-1.1-10-16, ~~or~~
 6 IC 6-1.1-10-21, **or IC 6-1.1-10-24.** However, if title to any of the real
 7 property subject to the exemption changes or any of the tangible
 8 property subject to the exemption is used for a nonexempt purpose after
 9 the date of the last properly filed exemption application, the person that
 10 obtained the exemption or the current owner of the property shall notify
 11 the county assessor for the county where the tangible property is
 12 located of the change in the year that the change occurs. The notice
 13 must be in the form prescribed by the department of local government
 14 finance. If the county assessor discovers that title to property granted
 15 an exemption described in IC 6-1.1-10-16, ~~or~~ IC 6-1.1-10-21, **or**
 16 **IC 6-1.1-10-24** has changed, the county assessor shall notify the
 17 persons entitled to a tax statement under IC 6-1.1-22-8.1 for the
 18 property of the change in title and indicate that the county auditor will
 19 suspend the exemption for the property until the persons provide the
 20 county assessor with an affidavit, signed under penalties of perjury, that
 21 identifies the new owners of the property and indicates that the
 22 property continues to meet the requirements for an exemption under
 23 IC 6-1.1-10-21, ~~or~~ IC 6-1.1-10-16, **or IC 6-1.1-10-24.** Upon receipt of
 24 the affidavit, the county assessor shall reinstate the exemption for the
 25 years for which the exemption was suspended and each year thereafter
 26 that the property continues to meet the requirements for an exemption
 27 under IC 6-1.1-10-21, ~~or~~ IC 6-1.1-10-16, **or IC 6-1.1-10-24.**

28 SECTION 4. IC 6-1.1-12-1, AS AMENDED BY P.L.81-2010,
 29 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2011]: Sec. 1. (a) Each year a person who is a resident of this
 31 state may receive a deduction from the assessed value of:

- 32 (1) mortgaged real property, an installment loan financed mobile
 33 home that is not assessed as real property, or an installment loan
 34 financed manufactured home that is not assessed as real property,
 35 with the mortgage or installment loan instrument recorded with
 36 the county recorder's office, that the person owns;
- 37 (2) real property, a mobile home that is not assessed as real
 38 property, or a manufactured home that is not assessed as real
 39 property that the person is buying under a **qualified installment**
 40 **contract; with the contract or a memorandum of the contract**
 41 **recorded in the county recorder's office, which provides that the**
 42 **person is to pay the property taxes on the real property; mobile**

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1 ~~home, or manufactured home;~~ or
 2 (3) real property, a mobile home that is not assessed as real
 3 property, or a manufactured home that the person owns or is
 4 buying on a **qualified installment** contract ~~described in~~
 5 ~~subdivision (2)~~ on which the person has a home equity line of
 6 credit that is recorded in the county recorder's office.

7 (b) Except as provided in section 40.5 of this chapter, the total
 8 amount of the deduction which the person may receive under this
 9 section for a particular year is:

10 (1) the balance of the mortgage or contract indebtedness
 11 (including a home equity line of credit) on the assessment date of
 12 that year;

13 (2) one-half (1/2) of the assessed value of the real property,
 14 mobile home, or manufactured home; or

15 (3) three thousand dollars (\$3,000);
 16 whichever is least.

17 (c) A person who has sold real property, a mobile home not assessed
 18 as real property, or a manufactured home not assessed as real property
 19 to another person under a **qualified installment** contract ~~which~~
 20 ~~provides that the contract buyer is to pay the property taxes on the real~~
 21 ~~property, mobile home, or manufactured home~~ may not claim the
 22 deduction provided under this section with respect to that real property,
 23 mobile home, or manufactured home.

24 (d) The person must:

25 (1) own the real property, mobile home, or manufactured home;
 26 or

27 (2) be buying the real property, mobile home, or manufactured
 28 home under a **qualified installment** contract;

29 on the date the statement is filed under section 2 of this chapter.

30 SECTION 5. IC 6-1.1-12-2, AS AMENDED BY P.L.81-2010,
 31 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2011]: Sec. 2. (a) Except as provided in section 17.8 of this
 33 chapter and subject to section 45 of this chapter, for a person to qualify
 34 for the deduction provided by section 1 of this chapter a statement must
 35 be filed under subsection (b) or (c). Regardless of the manner in which
 36 a statement is filed, the mortgage, **qualified installment** contract, or
 37 memorandum (including a home equity line of credit) must be recorded
 38 with the county recorder's office to qualify for a deduction under
 39 section 1 of this chapter.

40 (b) Subject to subsection (c), to apply for the deduction under
 41 section 1 of this chapter with respect to real property, the person
 42 recording the mortgage, home equity line of credit, **qualified**

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1 **installment** contract, or memorandum of the contract with the county
 2 recorder may file a written statement with the county recorder
 3 containing the information described in subsection (e)(1), (e)(2), (e)(3),
 4 (e)(4), (e)(6), (e)(7), and (e)(8). The statement must be prepared on the
 5 form prescribed by the department of local government finance and be
 6 signed by the property owner or contract purchaser under the penalties
 7 of perjury. The form must have a place for the county recorder to insert
 8 the record number and page where the mortgage, home equity line of
 9 credit, **qualified installment** contract, or memorandum of the contract
 10 is recorded. Upon receipt of the form and the recording of the
 11 mortgage, home equity line of credit, **qualified installment** contract,
 12 or memorandum of the contract, the county recorder shall insert on the
 13 form the record number and page where the mortgage, home equity line
 14 of credit, **qualified installment** contract, or memorandum of the
 15 contract is recorded and forward the completed form to the county
 16 auditor. The county recorder may not impose a charge for the county
 17 recorder's duties under this subsection. The statement must be
 18 completed and dated in the calendar year for which the person wishes
 19 to obtain the deduction and filed with the county recorder on or before
 20 January 5 of the immediately succeeding calendar year.

21 (c) With respect to:

- 22 (1) real property as an alternative to a filing under subsection (b);
- 23 or
- 24 (2) a mobile home that is not assessed as real property or a
- 25 manufactured home that is not assessed as real property;

26 to apply for a deduction under section 1 of this chapter, a person who
 27 desires to claim the deduction may file a statement in duplicate, on
 28 forms prescribed by the department of local government finance, with
 29 the auditor of the county in which the real property, mobile home not
 30 assessed as real property, or manufactured home not assessed as real
 31 property is located. With respect to real property the statement must be
 32 completed and dated in the calendar year for which the person wishes
 33 to obtain the deduction and filed with the county auditor on or before
 34 January 5 of the immediately succeeding calendar year. With respect
 35 to a mobile home that is not assessed as real property or a
 36 manufactured home that is not assessed as real property, the statement
 37 must be filed during the twelve (12) months before March 31 of each
 38 year for which the individual wishes to obtain the deduction. The
 39 statement may be filed in person or by mail. If mailed, the mailing must
 40 be postmarked on or before the last day for filing. In addition to the
 41 statement required by this subsection, a contract buyer who desires to
 42 claim the deduction must submit a copy of the recorded **qualified**

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1 **installment** contract or recorded memorandum of the contract, which
2 must contain a legal description sufficient to meet the requirements of
3 IC 6-1.1-5, with the first statement that the buyer files under this
4 section with respect to a particular parcel of real property.

5 (d) Upon receipt of:
6 (1) the statement under subsection (b); or
7 (2) the statement under subsection (c) and the recorded **qualified**
8 **installment** contract or recorded memorandum of the contract;
9 the county auditor shall assign a separate description and identification
10 number to the parcel of real property being sold under the **qualified**
11 **installment** contract.

12 (e) The statement referred to in subsections (b) and (c) must be
13 verified under penalties for perjury. The statement must contain the
14 following information:

15 (1) The balance of the person's mortgage, home equity line of
16 credit, or **qualified installment** contract indebtedness that is
17 recorded in the county recorder's office on the assessment date of
18 the year for which the deduction is claimed.

19 (2) The assessed value of the real property, mobile home, or
20 manufactured home.

21 (3) The full name and complete residence address of the person
22 and of the mortgagee or contract seller.

23 (4) The name and residence of any assignee or bona fide owner or
24 holder of the mortgage, home equity line of credit, or **qualified**
25 **installment** contract, if known, and if not known, the person shall
26 state that fact.

27 (5) The record number and page where the mortgage, **qualified**
28 **installment** contract, or memorandum of the contract is recorded.

29 (6) A brief description of the real property, mobile home, or
30 manufactured home which is encumbered by the mortgage or
31 home equity line of credit or sold under the **qualified installment**
32 contract.

33 (7) If the person is not the sole legal or equitable owner of the real
34 property, mobile home, or manufactured home, the exact share of
35 the person's interest in it.

36 (8) The name of any other county in which the person has applied
37 for a deduction under this section and the amount of deduction
38 claimed in that application.

39 (f) The authority for signing a deduction application filed under this
40 section may not be delegated by the real property, mobile home, or
41 manufactured home owner or contract buyer to any person except upon
42 an executed power of attorney. The power of attorney may be contained

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1 in the recorded mortgage, **qualified installment** contract, or
 2 memorandum of the contract, or in a separate instrument.

3 (g) A closing agent (as defined in section 43(a)(2) of this chapter)
 4 is not liable for any damages claimed by the property owner or contract
 5 purchaser because of:

6 (1) the closing agent's failure to provide the written statement
 7 described in subsection (b);
 8 (2) the closing agent's failure to file the written statement
 9 described in subsection (b);
 10 (3) any omission or inaccuracy in the written statement described
 11 in subsection (b) that is filed with the county recorder by the
 12 closing agent; or
 13 (4) any determination made with respect to a property owner's or
 14 contract purchaser's eligibility for the deduction under section 1
 15 of this chapter.

16 (h) The county recorder may not refuse to record a mortgage,
 17 **qualified installment** contract, or memorandum because the written
 18 statement described in subsection (b):

19 (1) is not included with the mortgage, home equity line of credit,
 20 **qualified installment** contract, or memorandum of the contract;
 21 (2) does not contain the signatures required by subsection (b);
 22 (3) does not contain the information described in subsection (e);
 23 or
 24 (4) is otherwise incomplete or inaccurate.

25 (i) The form prescribed by the department of local government
 26 finance under subsection (b) and the instructions for the form must
 27 both include a statement:

28 (1) that explains that a person is not entitled to a deduction under
 29 section 1 of this chapter unless the person has a balance on the
 30 person's mortgage or contract indebtedness that is recorded in the
 31 county recorder's office (including any home equity line of credit
 32 that is recorded in the county recorder's office) that is the basis for
 33 the deduction; and
 34 (2) that specifies the penalties for perjury.

35 (j) The department of local government finance shall develop a
 36 notice:

37 (1) that must be displayed in a place accessible to the public in
 38 the office of each county auditor;
 39 (2) that includes the information described in subsection (i); and
 40 (3) that explains that the form prescribed by the department of
 41 local government finance to claim the deduction under section 1
 42 of this chapter must be signed by the property owner or contract

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purchaser under the penalties of perjury.

SECTION 6. IC 6-1.1-12-9, AS AMENDED BY P.L.113-2010, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 9. (a) An individual may obtain a deduction from the assessed value of the individual's real property, or mobile home or manufactured home which is not assessed as real property, if:

- (1) the individual is at least sixty-five (65) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;
- (2) the combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of:
 - (A) the individual and the individual's spouse; or
 - (B) the individual and all other individuals with whom:
 - (i) the individual shares ownership; or
 - (ii) the individual is purchasing the property under a contract;
 - as joint tenants or tenants in common;
- for the calendar year preceding the year in which the deduction is claimed did not exceed twenty-five thousand dollars (\$25,000);
- (3) the individual has owned the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction; or the individual has been buying the real property, mobile home, or manufactured home under a **qualified installment** contract that provides that the individual is to pay the property taxes on the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction, and the contract or a memorandum of the contract is recorded in the county recorder's office;
- (4) the individual and any individuals covered by subdivision (2)(B) reside on the real property, mobile home, or manufactured home;
- (5) the assessed value of the real property, mobile home, or manufactured home does not exceed one hundred eighty-two thousand four hundred thirty dollars (\$182,430);
- (6) the individual receives no other property tax deduction for the year in which the deduction is claimed, except the deductions provided by sections 1, 37, (for assessment dates after February 28, 2008) 37.5, and 38 of this chapter; and
- (7) the person:
 - (A) owns the real property, mobile home, or manufactured home; or
 - (B) is buying the real property, mobile home, or manufactured

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- 1 home under a **qualified installment** contract;
 2 on the date the statement required by section 10.1 of this chapter
 3 is filed.
- 4 (b) Except as provided in subsection (h), in the case of real property,
 5 an individual's deduction under this section equals the lesser of:
 6 (1) one-half (1/2) of the assessed value of the real property; or
 7 (2) twelve thousand four hundred eighty dollars (\$12,480).
- 8 (c) Except as provided in subsection (h) and section 40.5 of this
 9 chapter, in the case of a mobile home that is not assessed as real
 10 property or a manufactured home which is not assessed as real
 11 property, an individual's deduction under this section equals the lesser
 12 of:
 13 (1) one-half (1/2) of the assessed value of the mobile home or
 14 manufactured home; or
 15 (2) twelve thousand four hundred eighty dollars (\$12,480).
- 16 (d) An individual may not be denied the deduction provided under
 17 this section because the individual is absent from the real property,
 18 mobile home, or manufactured home while in a nursing home or
 19 hospital.
- 20 (e) For purposes of this section, if real property, a mobile home, or
 21 a manufactured home is owned by:
 22 (1) tenants by the entirety;
 23 (2) joint tenants; or
 24 (3) tenants in common;
 25 only one (1) deduction may be allowed. However, the age requirement
 26 is satisfied if any one (1) of the tenants is at least sixty-five (65) years
 27 of age.
- 28 (f) A surviving spouse is entitled to the deduction provided by this
 29 section if:
 30 (1) the surviving spouse is at least sixty (60) years of age on or
 31 before December 31 of the calendar year preceding the year in
 32 which the deduction is claimed;
 33 (2) the surviving spouse's deceased husband or wife was at least
 34 sixty-five (65) years of age at the time of a death;
 35 (3) the surviving spouse has not remarried; and
 36 (4) the surviving spouse satisfies the requirements prescribed in
 37 subsection (a)(2) through (a)(7).
- 38 (g) An individual who has sold real property to another person
 39 under a **qualified installment** contract ~~that provides that the contract~~
 40 ~~buyer is to pay the property taxes on the real property~~ may not claim
 41 the deduction provided under this section against that real property.
- 42 (h) In the case of tenants covered by subsection (a)(2)(B), if all of

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1 the tenants are not at least sixty-five (65) years of age, the deduction
2 allowed under this section shall be reduced by an amount equal to the
3 deduction multiplied by a fraction. The numerator of the fraction is the
4 number of tenants who are not at least sixty-five (65) years of age, and
5 the denominator is the total number of tenants.

6 SECTION 7. IC 6-1.1-12-10.1, AS AMENDED BY P.L.144-2008,
7 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JULY 1, 2011]: Sec. 10.1. (a) Except as provided in section 17.8 of this
9 chapter and subject to section 45 of this chapter, an individual who
10 desires to claim the deduction provided by section 9 of this chapter
11 must file a sworn statement, on forms prescribed by the department of
12 local government finance, with the auditor of the county in which the
13 real property, mobile home, or manufactured home is located. With
14 respect to real property, the statement must be filed during the year for
15 which the individual wishes to obtain the deduction. With respect to a
16 mobile home that is not assessed as real property or a manufactured
17 home that is not assessed as real property, the statement must be filed
18 during the twelve (12) months before March 31 of each year for which
19 the individual wishes to obtain the deduction. The statement may be
20 filed in person or by mail. If mailed, the mailing must be postmarked
21 on or before the last day for filing.

22 (b) The statement referred to in subsection (a) shall be in affidavit
23 form or require verification under penalties of perjury. The statement
24 must be filed in duplicate if the applicant owns, or is buying under a
25 contract, real property, a mobile home, or a manufactured home subject
26 to assessment in more than one (1) county or in more than one (1)
27 taxing district in the same county. The statement shall contain:

- 28 (1) the source and exact amount of gross income received by the
29 individual and the individual's spouse during the preceding
30 calendar year;
- 31 (2) the description and assessed value of the real property, mobile
32 home, or manufactured home;
- 33 (3) the individual's full name and complete residence address;
- 34 (4) the record number and page where the contract or
35 memorandum of the contract is recorded if the individual is
36 buying the real property, mobile home, or manufactured home on
37 a **qualified installment** contract; and
- 38 (5) any additional information which the department of local
39 government finance may require.

40 (c) In order to substantiate the deduction statement, the applicant
41 shall submit for inspection by the county auditor a copy of the
42 applicant's and a copy of the applicant's spouse's income tax returns for

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1 the preceding calendar year. If either was not required to file an income
2 tax return, the applicant shall subscribe to that fact in the deduction
3 statement.

4 SECTION 8. IC 6-1.1-12-11, AS AMENDED BY P.L.1-2010,
5 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
6 JULY 1, 2011]: Sec. 11. (a) Except as provided in section 40.5 of this
7 chapter, an individual may have the sum of twelve thousand four
8 hundred eighty dollars (\$12,480) deducted from the assessed value of
9 real property, mobile home not assessed as real property, or
10 manufactured home not assessed as real property that the individual
11 owns, or that the individual is buying under a **qualified installment**
12 contract ~~that provides that the individual is to pay property taxes on the~~
13 ~~real property, mobile home, or manufactured home, if the contract or~~
14 ~~a memorandum of the contract is recorded in the county recorder's~~
15 ~~office, and if:~~

- 16 (1) the individual is blind or the individual has a disability;
17 (2) the real property, mobile home, or manufactured home is
18 principally used and occupied by the individual as the individual's
19 residence;
20 (3) the individual's taxable gross income for the calendar year
21 preceding the year in which the deduction is claimed did not
22 exceed seventeen thousand dollars (\$17,000); and
23 (4) the individual:
24 (A) owns the real property, mobile home, or manufactured
25 home; or
26 (B) is buying the real property, mobile home, or manufactured
27 home under a **qualified installment** contract;
28 on the date the statement required by section 12 of this chapter is
29 filed.

30 (b) For purposes of this section, taxable gross income does not
31 include income which is not taxed under the federal income tax laws.

32 (c) For purposes of this section, "blind" has the same meaning as the
33 definition contained in IC 12-7-2-21(1).

34 (d) For purposes of this section, "individual with a disability" means
35 a person unable to engage in any substantial gainful activity by reason
36 of a medically determinable physical or mental impairment which:

- 37 (1) can be expected to result in death; or
38 (2) has lasted or can be expected to last for a continuous period of
39 not less than twelve (12) months.

40 (e) An individual with a disability filing a claim under this section
41 shall submit proof of disability in such form and manner as the
42 department shall by rule prescribe. Proof that a claimant is eligible to

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1 receive disability benefits under the federal Social Security Act (42
2 U.S.C. 301 et seq.) shall constitute proof of disability for purposes of
3 this section.

4 (f) An individual with a disability not covered under the federal
5 Social Security Act shall be examined by a physician and the
6 individual's status as an individual with a disability determined by
7 using the same standards as used by the Social Security Administration.
8 The costs of this examination shall be borne by the claimant.

9 (g) An individual who has sold real property, a mobile home not
10 assessed as real property, or a manufactured home not assessed as real
11 property to another person under a **qualified installment** contract ~~that~~
12 ~~provides that the contract buyer is to pay the property taxes on the real~~
13 ~~property, mobile home, or manufactured home~~ may not claim the
14 deduction provided under this section against that real property, mobile
15 home, or manufactured home.

16 SECTION 9. IC 6-1.1-12-12, AS AMENDED BY P.L.1-2009,
17 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 JULY 1, 2011]: Sec. 12. (a) Except as provided in section 17.8 of this
19 chapter and subject to section 45 of this chapter, a person who desires
20 to claim the deduction provided in section 11 of this chapter must file
21 an application, on forms prescribed by the department of local
22 government finance, with the auditor of the county in which the real
23 property, mobile home not assessed as real property, or manufactured
24 home not assessed as real property is located. With respect to real
25 property, the application must be filed during the year for which the
26 individual wishes to obtain the deduction. With respect to a mobile
27 home that is not assessed as real property or a manufactured home that
28 is not assessed as real property, the application must be filed during the
29 twelve (12) months before March 31 of each year for which the
30 individual wishes to obtain the deduction. The application may be filed
31 in person or by mail. If mailed, the mailing must be postmarked on or
32 before the last day for filing.

33 (b) Proof of blindness may be supported by:
34 (1) the records of the division of family resources or the division
35 of disability and rehabilitative services; or
36 (2) the written statement of a physician who is licensed by this
37 state and skilled in the diseases of the eye or of a licensed
38 optometrist.

39 (c) The application required by this section must contain the record
40 number and page where the **qualified installment** contract or
41 memorandum of the contract is recorded if the individual is buying the
42 real property, mobile home, or manufactured home on a **qualified**

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1 **installment** contract. ~~that provides that the individual is to pay property~~
2 ~~taxes on the real property, mobile home, or manufactured home.~~

3 SECTION 10. IC 6-1.1-12-13, AS AMENDED BY P.L.1-2010,
4 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2011]: Sec. 13. (a) Except as provided in section 40.5 of this
6 chapter an individual may have twenty-four thousand nine hundred
7 sixty dollars (\$24,960) deducted from the assessed value of the taxable
8 tangible property that the individual owns, or real property, a mobile
9 home not assessed as real property, or a manufactured home not
10 assessed as real property that the individual is buying under a **qualified**
11 **installment** contract ~~that provides that the individual is to pay property~~
12 ~~taxes on the real property, mobile home, or manufactured home, if the~~
13 ~~contract or a memorandum of the contract is recorded in the county~~
14 ~~recorder's office and if:~~

15 (1) the individual served in the military or naval forces of the
16 United States during any of its wars;

17 (2) the individual received an honorable discharge;

18 (3) the individual has a disability with a service connected
19 disability of ten percent (10%) or more;

20 (4) the individual's disability is evidenced by:

21 (A) a pension certificate, an award of compensation, or a
22 disability compensation check issued by the United States
23 Department of Veterans Affairs; or

24 (B) a certificate of eligibility issued to the individual by the
25 Indiana department of veterans' affairs after the Indiana
26 department of veterans' affairs has determined that the
27 individual's disability qualifies the individual to receive a
28 deduction under this section; and

29 (5) the individual:

30 (A) owns the real property, mobile home, or manufactured
31 home; or

32 (B) is buying the real property, mobile home, or manufactured
33 home under a **qualified installment** contract;

34 on the date the statement required by section 15 of this chapter is
35 filed.

36 (b) The surviving spouse of an individual may receive the deduction
37 provided by this section if the individual would qualify for the
38 deduction if the individual were alive.

39 (c) One who receives the deduction provided by this section may not
40 receive the deduction provided by section 16 of this chapter. However,
41 the individual may receive any other property tax deduction which the
42 individual is entitled to by law.

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1 (d) An individual who has sold real property, a mobile home not
 2 assessed as real property, or a manufactured home not assessed as real
 3 property to another person under a **qualified installment** contract ~~that~~
 4 ~~provides that the contract buyer is to pay the property taxes on the real~~
 5 ~~property, mobile home, or manufactured home~~ may not claim the
 6 deduction provided under this section against that real property, mobile
 7 home, or manufactured home.

8 SECTION 11. IC 6-1.1-12-14, AS AMENDED BY P.L.1-2009,
 9 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2011]: Sec. 14. (a) Except as provided in subsection (c) and
 11 except as provided in section 40.5 of this chapter, an individual may
 12 have the sum of twelve thousand four hundred eighty dollars (\$12,480)
 13 deducted from the assessed value of the tangible property that the
 14 individual owns (or the real property, mobile home not assessed as real
 15 property, or manufactured home not assessed as real property that the
 16 individual is buying under a **qualified installment** contract) ~~that~~
 17 ~~provides that the individual is to pay property taxes on the real~~
 18 ~~property, mobile home, or manufactured home if the contract or a~~
 19 ~~memorandum of the contract is recorded in the county recorder's office)~~
 20 if:

- 21 (1) the individual served in the military or naval forces of the
 22 United States for at least ninety (90) days;
 23 (2) the individual received an honorable discharge;
 24 (3) the individual either:
 25 (A) has a total disability; or
 26 (B) is at least sixty-two (62) years old and has a disability of at
 27 least ten percent (10%);
 28 (4) the individual's disability is evidenced by:
 29 (A) a pension certificate or an award of compensation issued
 30 by the United States Department of Veterans Affairs; or
 31 (B) a certificate of eligibility issued to the individual by the
 32 Indiana department of veterans' affairs after the Indiana
 33 department of veterans' affairs has determined that the
 34 individual's disability qualifies the individual to receive a
 35 deduction under this section; and
 36 (5) the individual:
 37 (A) owns the real property, mobile home, or manufactured
 38 home; or
 39 (B) is buying the real property, mobile home, or manufactured
 40 home under a **qualified installment** contract;
 41 on the date the statement required by section 15 of this chapter is
 42 filed.

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1 (b) Except as provided in subsection (c), the surviving spouse of an
 2 individual may receive the deduction provided by this section if the
 3 individual would qualify for the deduction if the individual were alive.

4 (c) No one is entitled to the deduction provided by this section if the
 5 assessed value of the individual's tangible property, as shown by the tax
 6 duplicate, exceeds one hundred forty-three thousand one hundred sixty
 7 dollars (\$143,160).

8 (d) An individual who has sold real property, a mobile home not
 9 assessed as real property, or a manufactured home not assessed as real
 10 property to another person under a **qualified installment** contract ~~that~~
 11 ~~provides that the contract buyer is to pay the property taxes on the real~~
 12 ~~property, mobile home, or manufactured home~~ may not claim the
 13 deduction provided under this section against that real property, mobile
 14 home, or manufactured home.

15 SECTION 12. IC 6-1.1-12-15, AS AMENDED BY P.L.144-2008,
 16 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2011]: Sec. 15. (a) Except as provided in section 17.8 of this
 18 chapter and subject to section 45 of this chapter, an individual who
 19 desires to claim the deduction provided by section 13 or section 14 of
 20 this chapter must file a statement with the auditor of the county in
 21 which the individual resides. With respect to real property, the
 22 statement must be filed during the year for which the individual wishes
 23 to obtain the deduction. With respect to a mobile home that is not
 24 assessed as real property or a manufactured home that is not assessed
 25 as real property, the statement must be filed during the twelve (12)
 26 months before March 31 of each year for which the individual wishes
 27 to obtain the deduction. The statement may be filed in person or by
 28 mail. If mailed, the mailing must be postmarked on or before the last
 29 day for filing. The statement shall contain a sworn declaration that the
 30 individual is entitled to the deduction.

31 (b) In addition to the statement, the individual shall submit to the
 32 county auditor for the auditor's inspection:

- 33 (1) a pension certificate, an award of compensation, or a disability
 34 compensation check issued by the United States Department of
 35 Veterans Affairs if the individual claims the deduction provided
 36 by section 13 of this chapter;
 37 (2) a pension certificate or an award of compensation issued by
 38 the United States Department of Veterans Affairs if the individual
 39 claims the deduction provided by section 14 of this chapter; or
 40 (3) the appropriate certificate of eligibility issued to the individual
 41 by the Indiana department of veterans' affairs if the individual
 42 claims the deduction provided by section 13 or 14 of this chapter.

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1 (c) If the individual claiming the deduction is under guardianship,
2 the guardian shall file the statement required by this section.

3 (d) If the individual claiming a deduction under section 13 or 14 of
4 this chapter is buying real property, a mobile home not assessed as real
5 property, or a manufactured home not assessed as real property under
6 a **qualified installment** contract, ~~that provides that the individual is to~~
7 ~~pay property taxes for the real estate, mobile home, or manufactured~~
8 ~~home,~~ the statement required by this section must contain the record
9 number and page where the contract or memorandum of the contract
10 is recorded.

11 SECTION 13. IC 6-1.1-12-16, AS AMENDED BY P.L.1-2009,
12 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2011]: Sec. 16. (a) Except as provided in section 40.5 of this
14 chapter, a surviving spouse may have the sum of eighteen thousand
15 seven hundred twenty dollars (\$18,720) deducted from the assessed
16 value of his or her tangible property, or real property, mobile home not
17 assessed as real property, or manufactured home not assessed as real
18 property that the surviving spouse is buying under a **qualified**
19 **installment** contract ~~that provides that the surviving spouse is to pay~~
20 ~~property taxes on the real property, mobile home, or manufactured~~
21 ~~home, if the contract or a memorandum of the contract is recorded in~~
22 ~~the county recorder's office, and if:~~

- 23 (1) the deceased spouse served in the military or naval forces of
- 24 the United States before November 12, 1918;
- 25 (2) the deceased spouse received an honorable discharge; and
- 26 (3) the surviving spouse:
 - 27 (A) owns the real property, mobile home, or manufactured
 - 28 home; or
 - 29 (B) is buying the real property, mobile home, or manufactured
 - 30 home under contract;
 - 31 on the date the statement required by section 17 of this chapter is
 - 32 filed.

33 (b) A surviving spouse who receives the deduction provided by this
34 section may not receive the deduction provided by section 13 of this
35 chapter. However, he or she may receive any other deduction which he
36 or she is entitled to by law.

37 (c) An individual who has sold real property, a mobile home not
38 assessed as real property, or a manufactured home not assessed as real
39 property to another person under a **qualified installment** contract ~~that~~
40 ~~provides that the contract buyer is to pay the property taxes on the real~~
41 ~~property, mobile home, or manufactured home~~ may not claim the
42 deduction provided under this section against that real property, mobile

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1 home, or manufactured home.

2 SECTION 14. IC 6-1.1-12-17, AS AMENDED BY P.L.144-2008,
3 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2011]: Sec. 17. Except as provided in section 17.8 of this
5 chapter and subject to section 45 of this chapter, a surviving spouse
6 who desires to claim the deduction provided by section 16 of this
7 chapter must file a statement with the auditor of the county in which
8 the surviving spouse resides. With respect to real property, the
9 statement must be filed during the year for which the surviving spouse
10 wishes to obtain the deduction. With respect to a mobile home that is
11 not assessed as real property or a manufactured home that is not
12 assessed as real property, the statement must be filed during the twelve
13 (12) months before March 31 of each year for which the individual
14 wishes to obtain the deduction. The statement may be filed in person
15 or by mail. If mailed, the mailing must be postmarked on or before the
16 last day for filing. The statement shall contain:

- 17 (1) a sworn statement that the surviving spouse is entitled to the
- 18 deduction; and
- 19 (2) the record number and page where the **qualified installment**
- 20 contract or memorandum of the contract is recorded, if the
- 21 individual is buying the real property on a **qualified installment**
- 22 contract. ~~that provides that the individual is to pay property taxes~~
- 23 ~~on the real property.~~

24 In addition to the statement, the surviving spouse shall submit to the
25 county auditor for the auditor's inspection a letter or certificate from the
26 United States Department of Veterans Affairs establishing the service
27 of the deceased spouse in the military or naval forces of the United
28 States before November 12, 1918.

29 SECTION 15. IC 6-1.1-12-17.4, AS AMENDED BY P.L.1-2009,
30 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JULY 1, 2011]: Sec. 17.4. (a) Except as provided in section 40.5 of this
32 chapter, a World War I veteran who is a resident of Indiana is entitled
33 to have the sum of eighteen thousand seven hundred twenty dollars
34 (\$18,720) deducted from the assessed valuation of the real property
35 (including a mobile home that is assessed as real property), mobile
36 home that is not assessed as real property, or manufactured home that
37 is not assessed as real property the veteran owns or is buying under a
38 **qualified installment** contract ~~that requires the veteran to pay property~~
39 ~~taxes on the real property; if the contract or a memorandum of the~~
40 ~~contract is recorded in the county recorder's office; if:~~

- 41 (1) the real property, mobile home, or manufactured home is the
- 42 veteran's principal residence;

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1 (2) the assessed valuation of the real property, mobile home, or
 2 manufactured home does not exceed two hundred six thousand
 3 five hundred dollars (\$206,500);
 4 (3) the veteran owns the real property, mobile home, or
 5 manufactured home for at least one (1) year before claiming the
 6 deduction; and
 7 (4) the veteran:
 8 (A) owns the real property, mobile home, or manufactured
 9 home; or
 10 (B) is buying the real property, mobile home, or manufactured
 11 home under a **qualified installment** contract;
 12 on the date the statement required by section 17.5 of this chapter
 13 is filed.
 14 (b) An individual may not be denied the deduction provided by this
 15 section because the individual is absent from the individual's principal
 16 residence while in a nursing home or hospital.
 17 (c) For purposes of this section, if real property, a mobile home, or
 18 a manufactured home is owned by a husband and wife as tenants by the
 19 entirety, only one (1) deduction may be allowed under this section.
 20 However, the deduction provided in this section applies if either spouse
 21 satisfies the requirements prescribed in subsection (a).
 22 (d) An individual who has sold real property, a mobile home not
 23 assessed as real property, or a manufactured home not assessed as real
 24 property to another person under a **qualified installment** contract ~~that~~
 25 ~~provides that the contract buyer is to pay the property taxes on the real~~
 26 ~~property, mobile home, or manufactured home~~ may not claim the
 27 deduction provided under this section with respect to that real property,
 28 mobile home, or manufactured home.
 29 SECTION 16. IC 6-1.1-12-17.5, AS AMENDED BY P.L.144-2008,
 30 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2011]: Sec. 17.5. (a) Except as provided in section 17.8 of this
 32 chapter and subject to section 45 of this chapter, a veteran who desires
 33 to claim the deduction provided in section 17.4 of this chapter must file
 34 a sworn statement, on forms prescribed by the department of local
 35 government finance, with the auditor of the county in which the real
 36 property, mobile home, or manufactured home is assessed. With
 37 respect to real property, the veteran must file the statement during the
 38 year for which the veteran wishes to obtain the deduction. With respect
 39 to a mobile home that is not assessed as real property or a
 40 manufactured home that is not assessed as real property, the statement
 41 must be filed during the twelve (12) months before March 31 of each
 42 year for which the individual wishes to obtain the deduction. The

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1 statement may be filed in person or by mail. If mailed, the mailing must
2 be postmarked on or before the last day for filing.

3 (b) The statement required under this section shall be in affidavit
4 form or require verification under penalties of perjury. The statement
5 shall be filed in duplicate if the veteran has, or is buying under a
6 contract, real property in more than one (1) county or in more than one
7 (1) taxing district in the same county. The statement shall contain:

8 (1) a description and the assessed value of the real property,
9 mobile home, or manufactured home;

10 (2) the veteran's full name and complete residence address;

11 (3) the record number and page where the contract or
12 memorandum of the **qualified installment** contract is recorded,
13 if the individual is buying the real property, mobile home, or
14 manufactured home on a **qualified installment** contract; ~~that~~
15 ~~provides that the individual is to pay property taxes on the real~~
16 ~~property, mobile home, or manufactured home;~~ and

17 (4) any additional information which the department of local
18 government finance may require.

19 SECTION 17. IC 6-1.1-12-17.8, AS AMENDED BY
20 P.L.182-2009(ss), SECTION 109, IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE MARCH 1, 2011 (RETROACTIVE)]: Sec.
22 17.8. (a) An individual who receives a deduction provided under
23 section 1, 9, 11, 13, 14, 16, 17.4, or 37 of this chapter in a particular
24 year and who remains eligible for the deduction in the following year
25 is not required to file a statement to apply for the deduction in the
26 following year. However, for purposes of a deduction under section 37
27 of this chapter, the county auditor may, in the county auditor's
28 discretion, terminate the deduction for assessment dates after January
29 15, 2012, if the individual does not comply with the requirement in
30 IC 6-1.1-22-8.1(b)(9), as determined by the county auditor, before
31 January 1, 2013. Before the county auditor terminates the deduction
32 because the taxpayer claiming the deduction did not comply with the
33 requirement in IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the
34 county auditor shall mail notice of the proposed termination of the
35 deduction to:

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

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

41 (b) An individual who receives a deduction provided under section
42 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who

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1 becomes ineligible for the deduction in the following year shall notify
2 the auditor of the county in which the real property, mobile home, or
3 manufactured home for which the individual claims the deduction is
4 located of the individual's ineligibility in the year in which the
5 individual becomes ineligible. An individual who becomes ineligible
6 for a deduction under section 37 of this chapter shall notify the county
7 auditor of the county in which the property is located in conformity
8 with section 37 of this chapter.

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

14 (d) An individual who receives a deduction provided under section
15 1, 9, 11, 13, 14, 16, 17.4, or 37 of this chapter for property that is
16 jointly held with another owner in a particular year and remains eligible
17 for the deduction in the following year is not required to file a
18 statement to reapply for the deduction following the removal of the
19 joint owner if:

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

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

40 (e) A trust entitled to a deduction under section 9, 11, 13, 14, 16,
41 17.4, or 37 of this chapter for real property owned by the trust and
42 occupied by an individual in accordance with section 17.9 of this

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1 chapter is not required to file a statement to apply for the deduction, if:

- 2 (1) the individual who occupies the real property receives a
 3 deduction provided under section 9, 11, 13, 14, 16, 17.4, or 37 of
 4 this chapter in a particular year; and
 5 (2) the trust remains eligible for the deduction in the following
 6 year.

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

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

- 25 (1) the last known address of each person liable for any property
 26 taxes or special assessment, as shown on the tax duplicate or
 27 special assessment records; or
 28 (2) the last known address of the most recent owner shown in the
 29 transfer book.

30 (g) An individual who:

- 31 (1) was eligible for a homestead credit under IC 6-1.1-20.9
 32 (repealed) for property taxes imposed for the March 1, 2007, or
 33 January 15, 2008, assessment date; or
 34 (2) would have been eligible for a homestead credit under
 35 IC 6-1.1-20.9 (repealed) for property taxes imposed for the March
 36 1, 2008, or January 15, 2009, assessment date if IC 6-1.1-20.9 had
 37 not been repealed;

38 is not required to file a statement to apply for a deduction under section
 39 37 of this chapter if the individual remains eligible for the deduction in
 40 the current year. An individual who filed for a homestead credit under
 41 IC 6-1.1-20.9 (repealed) for an assessment date after March 1, 2007 (if
 42 the property is real property), or after January 1, 2008 (if the property

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1 is personal property), shall be treated as an individual who has filed for
 2 a deduction under section 37 of this chapter. However, the county
 3 auditor may, in the county auditor's discretion, terminate the deduction
 4 for assessment dates after January 15, 2012, if the individual does not
 5 comply with the requirement in IC 6-1.1-22-8.1(b)(9), as determined
 6 by the county auditor, before January 1, 2013. Before the county
 7 auditor terminates the deduction because the taxpayer claiming the
 8 deduction did not comply with the requirement in IC 6-1.1-22-8.1(b)(9)
 9 before January 1, 2013, the county auditor shall mail notice of the
 10 proposed termination of the deduction to the last known address of
 11 each person liable for any property taxes or special assessment, as
 12 shown on the tax duplicate or special assessment records, or to the last
 13 known address of the most recent owner shown in the transfer book.

14 (h) If a county auditor terminates a deduction because the taxpayer
 15 claiming the deduction did not comply with the requirement in
 16 IC 6-1.1-22-8.1(b)(9) before January 1, 2013, the county auditor shall
 17 reinstate the deduction if the taxpayer provides proof that the taxpayer
 18 is eligible for the deduction and is not claiming the deduction for any
 19 other property.

20 (i) A taxpayer described in section 37(k) of this chapter is not
 21 required to file a statement to apply for the deduction provided by
 22 section 37 of this chapter for a calendar year beginning after December
 23 31, 2008, if the property owned by the taxpayer remains eligible for the
 24 deduction for that calendar year. However, the county auditor may
 25 terminate the deduction for assessment dates after January 15, 2012, if
 26 the individual residing on the property owned by the taxpayer does not
 27 comply with the requirement in IC 6-1.1-22-8.1(b)(9), as determined
 28 by the county auditor, before January 1, 2013. Before the county
 29 auditor terminates a deduction because the individual residing on the
 30 property did not comply with the requirement in IC 6-1.1-22-8.1(b)(9)
 31 before January 1, 2013, the county auditor shall mail notice of the
 32 proposed termination of the deduction to:

- 33 (1) the last known address of each person liable for any property
 34 taxes or special assessment, as shown on the tax duplicate or
 35 special assessment records; or
- 36 (2) the last known address of the most recent owner shown in the
 37 transfer book.

38 SECTION 18. IC 6-1.1-12-37, AS AMENDED BY P.L.113-2010,
 39 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 MARCH 1, 2011 (RETROACTIVE)]: Sec. 37. (a) The following
 41 definitions apply throughout this section:

- 42 (1) "Dwelling" means any of the following:

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1 (A) Residential real property improvements that an individual
2 uses as the individual's residence, including a house or garage.

3 (B) A mobile home that is not assessed as real property that an
4 individual uses as the individual's residence.

5 (C) A manufactured home that is not assessed as real property
6 that an individual uses as the individual's residence.

7 **(2) "Eligible cooperative housing corporation property"**
8 **means property that is:**

9 **(A) owned by a cooperative housing corporation (as**
10 **defined in 26 U.S.C. 216); and**

11 **(B) used as the principal place of residence of an individual**
12 **who:**

13 **(i) is a tenant-stockholder (as defined in 26 U.S.C. 216) in**
14 **the cooperative housing corporation referred to in clause**
15 **(A); and**

16 **(ii) can demonstrate an ownership interest in the shares**
17 **of the cooperative housing corporation that has a value**
18 **at least equal to the true tax value of the property that**
19 **the individual uses as the individual's principal place of**
20 **residence.**

21 **Subject to subsection (m), the term includes a proportionate**
22 **share of common areas used for residential purposes by**
23 **individuals described in clause (B). The term does not include**
24 **a leasing or zero equity cooperative.**

25 ~~(2)~~ **(3) "Homestead" means an individual's principal place of**
26 **residence:**

27 (A) that is located in Indiana;

28 (B) that:

29 (i) the individual owns;

30 (ii) the individual is buying under a **qualified installment**
31 **contract; recorded in the county recorder's office; that**
32 **provides that the individual is to pay the property taxes on**
33 **the residence;**

34 (iii) the individual is entitled to occupy as a
35 tenant-stockholder (as defined in 26 U.S.C. 216) of a **is**
36 **eligible cooperative housing corporation (as defined in 26**
37 **U.S.C. 216) property; or**

38 (iv) is a residence described in section 17.9 of this chapter
39 that is owned by a trust if the individual is an individual
40 described in section 17.9 of this chapter; and

41 (C) that consists of a dwelling and the real estate, not
42 exceeding one (1) acre, that immediately surrounds that

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dwelling.

Except as provided in subsection (k), the term does not include property owned by a corporation, partnership, limited liability company, or other entity not described in this subdivision.

(b) Each year a homestead is eligible for a standard deduction from the assessed value of the homestead for an assessment date. The deduction provided by this section applies to property taxes first due and payable for an assessment date only if an individual has an interest in the homestead described in subsection (a)(2)(B) on:

- (1) the assessment date; or
- (2) any date in the same year after an assessment date that a statement is filed under subsection (e) or section 44 of this chapter, if the property consists of real property.

Subject to subsection (c), the auditor of the county shall record and make the deduction for the individual or entity qualifying for the deduction.

(c) Except as provided in section 40.5 of this chapter, the total amount of the deduction that a person may receive under this section for a particular year is the lesser of:

- (1) sixty percent (60%) of the assessed value of the real property, mobile home not assessed as real property, or manufactured home not assessed as real property; or
- (2) forty-five thousand dollars (\$45,000).

(d) A person who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a **qualified installment** contract ~~that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home~~ may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home.

(e) Except as provided in sections 17.8 and 44 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by this section must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement must include:

- (1) the parcel number or key number of the property and the name of the city, town, or township in which the property is located;
- (2) the name of any other location in which the applicant or the applicant's spouse owns, is buying, or has a beneficial interest in residential real property;
- (3) the names of:

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1 (A) the applicant and the applicant's spouse (if any):
 2 (i) as the names appear in the records of the United States
 3 Social Security Administration for the purposes of the
 4 issuance of a Social Security card and Social Security
 5 number; or
 6 (ii) that they use as their legal names when they sign their
 7 names on legal documents;
 8 if the applicant is an individual; or
 9 (B) each individual who qualifies property as a homestead
 10 under subsection (a)(2)(B) and the individual's spouse (if any):
 11 (i) as the names appear in the records of the United States
 12 Social Security Administration for the purposes of the
 13 issuance of a Social Security card and Social Security
 14 number; or
 15 (ii) that they use as their legal names when they sign their
 16 names on legal documents;
 17 if the applicant is not an individual; and
 18 (4) either:
 19 (A) the last five (5) digits of the applicant's Social Security
 20 number and the last five (5) digits of the Social Security
 21 number of the applicant's spouse (if any); or
 22 (B) if the applicant or the applicant's spouse (if any) do not
 23 have a Social Security number, any of the following for that
 24 individual:
 25 (i) The last five (5) digits of the individual's driver's license
 26 number.
 27 (ii) The last five (5) digits of the individual's state
 28 identification card number.
 29 (iii) If the individual does not have a driver's license or a
 30 state identification card, the last five (5) digits of a control
 31 number that is on a document issued to the individual by the
 32 federal government and determined by the department of
 33 local government finance to be acceptable.
 34 If a form or statement provided to the county auditor under this section,
 35 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or
 36 part or all of the Social Security number of a party or other number
 37 described in subdivision (4)(B) of a party, the telephone number and
 38 the Social Security number or other number described in subdivision
 39 (4)(B) included are confidential. The statement may be filed in person
 40 or by mail. If the statement is mailed, the mailing must be postmarked
 41 on or before the last day for filing. The statement applies for that first
 42 year and any succeeding year for which the deduction is allowed. With

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1 respect to real property, the statement must be completed and dated in
 2 the calendar year for which the person desires to obtain the deduction
 3 and filed with the county auditor on or before January 5 of the
 4 immediately succeeding calendar year. With respect to a mobile home
 5 that is not assessed as real property, the person must file the statement
 6 during the twelve (12) months before March 31 of the year for which
 7 the person desires to obtain the deduction.

8 (f) If an individual who is receiving the deduction provided by this
 9 section or who otherwise qualifies property for a deduction under this
 10 section:

11 (1) changes the use of the individual's property so that part or all
 12 of the property no longer qualifies for the deduction under this
 13 section; or

14 (2) is no longer eligible for a deduction under this section on
 15 another parcel of property because:

16 (A) the individual would otherwise receive the benefit of more
 17 than one (1) deduction under this chapter; or

18 (B) the individual maintains the individual's principal place of
 19 residence with another individual who receives a deduction
 20 under this section;

21 the individual must file a certified statement with the auditor of the
 22 county, notifying the auditor of the change of use, not more than sixty
 23 (60) days after the date of that change. An individual who fails to file
 24 the statement required by this subsection is liable for any additional
 25 taxes that would have been due on the property if the individual had
 26 filed the statement as required by this subsection plus a civil penalty
 27 equal to ten percent (10%) of the additional taxes due. The civil penalty
 28 imposed under this subsection is in addition to any interest and
 29 penalties for a delinquent payment that might otherwise be due. One
 30 percent (1%) of the total civil penalty collected under this subsection
 31 shall be transferred by the county to the department of local
 32 government finance for use by the department in establishing and
 33 maintaining the homestead property data base under subsection (i) and,
 34 to the extent there is money remaining, for any other purposes of the
 35 department. This amount becomes part of the property tax liability for
 36 purposes of this article.

37 (g) The department of local government finance shall adopt rules or
 38 guidelines concerning the application for a deduction under this
 39 section.

40 (h) This subsection does not apply to property in the first year for
 41 which a deduction is claimed under this section if the sole reason that
 42 a deduction is claimed on other property is that the individual or

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1 married couple maintained a principal residence at the other property
 2 on March 1 in the same year in which an application for a deduction is
 3 filed under this section or, if the application is for a homestead that is
 4 assessed as personal property, on March 1 in the immediately
 5 preceding year and the individual or married couple is moving the
 6 individual's or married couple's principal residence to the property that
 7 is the subject of the application. The county auditor may not grant an
 8 individual or a married couple a deduction under this section if:

9 (1) the individual or married couple, for the same year, claims the
 10 deduction on two (2) or more different applications for the
 11 deduction; and

12 (2) the applications claim the deduction for different property.

13 (i) The department of local government finance shall provide secure
 14 access to county auditors to a homestead property data base that
 15 includes access to the homestead owner's name and the numbers
 16 required from the homestead owner under subsection (e)(4) for the sole
 17 purpose of verifying whether an owner is wrongly claiming a deduction
 18 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or
 19 IC 6-3.5.

20 (j) The department of local government finance shall work with
 21 county auditors to develop procedures to determine whether a property
 22 owner that is claiming a standard deduction or homestead credit is not
 23 eligible for the standard deduction or homestead credit because the
 24 property owner's principal place of residence is outside Indiana.

25 (k) As used in this section, "homestead" includes property that
 26 satisfies each of the following requirements:

27 (1) The property is located in Indiana and consists of a dwelling
 28 and the real estate, not exceeding one (1) acre, that immediately
 29 surrounds that dwelling.

30 (2) The property is the principal place of residence of an
 31 individual.

32 (3) The property is owned by an entity that is not described in
 33 subsection (a)(2)(B).

34 (4) The individual residing on the property is a shareholder,
 35 partner, or member of the entity that owns the property.

36 (5) The property was eligible for the standard deduction under
 37 this section on March 1, 2009.

38 (l) If a county auditor terminates a deduction for property described
 39 in subsection (k) with respect to property taxes that are:

40 (1) imposed for an assessment date in 2009; and

41 (2) first due and payable in 2010;

42 on the grounds that the property is not owned by an entity described in

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1 subsection (a)(2)(B), the county auditor shall reinstate the deduction if
2 the taxpayer provides proof that the property is eligible for the
3 deduction in accordance with subsection (k) and that the individual
4 residing on the property is not claiming the deduction for any other
5 property.

6 (m) For assessments dates after 2009, the term "homestead"
7 includes:

- 8 (1) a deck or patio;
- 9 (2) a gazebo; or
- 10 (3) another residential yard structure, as defined in rules adopted
11 by the department of local government finance (other than a
12 swimming pool);

13 that is assessed as real property and attached to the dwelling.

14 SECTION 19. IC 6-1.1-12-39 IS AMENDED TO READ AS
15 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 39. (a) A person who
16 is:

- 17 (1) purchasing property under a contract that does not require the
18 buyer to pay property taxes on the property; and
- 19 (2) required to pay property taxes under IC 6-1.1-10-41;

20 is eligible for a deduction granted by this chapter to the same extent as
21 a person who is buying property under a **qualified installment**
22 contract. ~~that provides the contract buyer is to pay property taxes on the~~
23 ~~property.~~

24 (b) To obtain the deduction, with the application the applicant must
25 provide:

- 26 (1) the same information concerning the contract that is required
27 for **qualified installment** contracts; ~~that require the buyer to pay~~
28 ~~property taxes;~~ and
- 29 (2) information that indicates that IC 6-1.1-10-41 applies to the
30 property.

31 SECTION 20. IC 6-1.1-12-46 IS ADDED TO THE INDIANA
32 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
33 [EFFECTIVE JULY 1, 2011]: **Sec. 46. (a) This section applies to an**
34 **assessed valuation deduction claimed for:**

- 35 **(1) an assessment date occurring after February 28, 2012,**
36 **with respect to property taxes first due and payable after**
37 **December 31, 2012, for an assessed valuation deduction**
38 **claimed for real property; or**
- 39 **(2) an assessment date occurring after December 31, 2011,**
40 **with respect to property taxes first due and payable after**
41 **December 31, 2011, for an assessed valuation deduction**
42 **claimed for a mobile home or manufactured home assessed**

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under IC 6-1.1-7.

(b) A person who:

- (1) owns property subject to taxation under this article;
- (2) misrepresents a residential lease as a qualified installment contract; and
- (3) through the misrepresentation described in subdivision (2) causes another individual to improperly claim a deduction that is made available to a buyer under a qualified installment contract under this chapter;

is liable for any additional taxes that would have been due on the property if the person had leased the property to the purported contract buyer, plus a civil penalty equal to ten percent (10%) of the additional taxes due.

(c) The civil penalty imposed under subsection (b) is in addition to any interest and penalties for a delinquent payment that might otherwise be due.

(d) One percent (1%) of the total civil penalty collected under this section shall be transferred by the county to the department of local government finance for use by the department in establishing and maintaining the homestead property data base under section 37 of this chapter and, to the extent there is money remaining, for any other purposes of the department. This amount becomes part of the property tax liability for purposes of this article.

SECTION 21. IC 6-1.1-12-47 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2011 (RETROACTIVE)]: **Sec. 47. An action taken by an assessing official for an assessment date before March 2, 2011, to deny a standard deduction under section 37 of this chapter (or any other tax benefit available to a homestead) to a cooperative housing corporation (as defined in 26 U.S.C. 216) that does not qualify as eligible cooperative housing corporation property (as defined in section 37 of this chapter) is legalized and validated.**

SECTION 22. IC 6-1.1-20.6-2, AS AMENDED BY P.L.182-2009(ss), SECTION 151, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2011 (RETROACTIVE)]: **Sec. 2. (a)** As used in this chapter, "homestead" refers to a homestead that is eligible for a standard deduction under IC 6-1.1-12-37.

(b) The term includes a house or apartment that is owned or leased by a cooperative housing corporation (as defined in 26 U.S.C. 216(b)).

SECTION 23. [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)] **(a) IC 6-1.1-10-24, as amended by this act,**

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1 applies to IC 6-1.1-11-4, as amended by this act, as if both
2 provisions had been in effect on January 1, 2008.

3 (b) This SECTION expires January 1, 2013.

4 SECTION 24. [EFFECTIVE JANUARY 1, 2008
5 (RETROACTIVE)] (a) With respect to an assessment date (as
6 defined by IC 6-1.1-1-2) occurring after December 31, 2009, and
7 before January 1, 2013, the definition of "fraternity or sorority"
8 set forth in IC 6-1.1-10-24, as amended by this act, includes a
9 limited liability company whose members are predominantly
10 fraternities, sororities, or foundations related to fraternities or
11 sororities.

12 (b) With respect to the March 1, 2010, assessment date, the
13 exemption allowed by IC 6-1.1-10-24, as amended by this act,
14 applies to tangible property acquired for future use by a fraternity
15 or sorority for a use set forth in IC 6-1.1-10-24(b)(2), as amended
16 by this act.

17 (c) This SECTION expires January 1, 2013.

18 SECTION 25. [EFFECTIVE JANUARY 1, 2008
19 (RETROACTIVE)] (a) This SECTION applies to a taxpayer,
20 notwithstanding IC 6-1.1-3, IC 6-1.1-11, IC 6-1.1-17, IC 6-1.1-37,
21 50 IAC 4.2, 50 IAC 16, or any other statute or administrative rule.

22 (b) This section applies to an assessment date (as defined by
23 IC 6-1.1-1-2) occurring after December 31, 2005, and before
24 January 1, 2010.

25 (c) As used in this SECTION, "taxpayer" refers to an Indiana
26 nonprofit corporation that owns real and personal property used
27 as part of or in connection with a men's cooperative house.

28 (d) A taxpayer, after February 13, 2011, but before February
29 26, 2011, may file or refile in person or in any other manner
30 consistent with IC 6-1.1-36-1.5:

31 (1) a Form 136 property tax exemption application, along
32 with any supporting documents, schedules, or attachments,
33 claiming an exemption from real property taxes or personal
34 property taxes, or both under IC 6-1.1-10-16 or IC 6-1.1-10-24
35 for any assessment date described in subsection (b); and

36 (2) a personal property tax return, along with any supporting
37 documents, schedules, or attachments, relating to any
38 personal property under IC 6-1.1-10-16 or IC 6-1.1-10-24 for
39 any assessment date for which an exemption is claimed on a
40 Form 136 property tax exemption application that is filed
41 under this subsection.

42 (e) Any property tax exemption application or personal

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1 **property tax return filed or refiled under subsection (d):**
 2 **(1) is, subject to this SECTION, allowed; and**
 3 **(2) is considered to have been timely filed.**
 4 **(f) If the taxpayer demonstrates in the application or by other**
 5 **means that the property that is subject to the exemption would**
 6 **have qualified for an exemption under IC 6-1.1-10-16 as owned,**
 7 **occupied, and used for an educational, religious, or charitable**
 8 **purpose or under IC 6-1.1-10-24 if the application had been filed**
 9 **under IC 6-1.1-11 in a timely manner:**
 10 **(1) the taxpayer is entitled to the exemptions from real**
 11 **property taxes, personal property taxes, or both, as claimed**
 12 **on the property tax exemption applications filed or refiled by**
 13 **the taxpayer under subsection (d); and**
 14 **(2) shall pay no property taxes, penalties, or interest with**
 15 **respect to the exempt property.**
 16 **(g) For its property to be exempt under this SECTION, the**
 17 **taxpayer must have received for an assessment date preceding or**
 18 **following any assessment date described in subsection (b) an**
 19 **exemption or partial exemption from property taxes for property**
 20 **identified by the same parcel or key numbers or the same parcel**
 21 **and key numbers included on the property tax exemption**
 22 **applications filed or refiled by the taxpayer under subsection (d).**
 23 **(h) This SECTION expires January 1, 2013.**
 24 **SECTION 26. An emergency is declared for this act.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1270, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-1-14.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 14.5. "Qualified installment contract" means a contract for the purchase of real property that complies with each of the following requirements:

- (1) The contract or a memorandum of the contract is recorded in the county recorder's office of the county in which the real property, mobile home, or manufactured home is located.
- (2) The contract requires the buyer to pay the property taxes on the real property.
- (3) The contract specifies the total contract price.
- (4) The contract requires the seller to issue a deed or other evidence of title to the buyer upon the buyer's payment of the total contract price.

SECTION 2. IC 6-1.1-12-1, AS AMENDED BY P.L.81-2010, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. (a) Each year a person who is a resident of this state may receive a deduction from the assessed value of:

- (1) mortgaged real property, an installment loan financed mobile home that is not assessed as real property, or an installment loan financed manufactured home that is not assessed as real property, with the mortgage or installment loan instrument recorded with the county recorder's office, that the person owns;
- (2) real property, a mobile home that is not assessed as real property, or a manufactured home that is not assessed as real property that the person is buying under a **qualified installment contract**; with the contract or a memorandum of the contract recorded in the county recorder's office, which provides that the person is to pay the property taxes on the real property, mobile home, or manufactured home; or
- (3) real property, a mobile home that is not assessed as real property, or a manufactured home that the person owns or is buying on a **qualified installment contract described in subdivision (2)** on which the person has a home equity line of

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credit that is recorded in the county recorder's office.

(b) Except as provided in section 40.5 of this chapter, the total amount of the deduction which the person may receive under this section for a particular year is:

- (1) the balance of the mortgage or contract indebtedness (including a home equity line of credit) on the assessment date of that year;
- (2) one-half (1/2) of the assessed value of the real property, mobile home, or manufactured home; or
- (3) three thousand dollars (\$3,000);

whichever is least.

(c) A person who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a **qualified installment** contract ~~which provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home~~ may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home.

(d) The person must:

- (1) own the real property, mobile home, or manufactured home; or
- (2) be buying the real property, mobile home, or manufactured home under a **qualified installment** contract;

on the date the statement is filed under section 2 of this chapter.

SECTION 3. IC 6-1.1-12-2, AS AMENDED BY P.L.81-2010, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, for a person to qualify for the deduction provided by section 1 of this chapter a statement must be filed under subsection (b) or (c). Regardless of the manner in which a statement is filed, the mortgage, **qualified installment** contract, or memorandum (including a home equity line of credit) must be recorded with the county recorder's office to qualify for a deduction under section 1 of this chapter.

(b) Subject to subsection (c), to apply for the deduction under section 1 of this chapter with respect to real property, the person recording the mortgage, home equity line of credit, **qualified installment** contract, or memorandum of the contract with the county recorder may file a written statement with the county recorder containing the information described in subsection (e)(1), (e)(2), (e)(3), (e)(4), (e)(6), (e)(7), and (e)(8). The statement must be prepared on the form prescribed by the department of local government finance and be

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signed by the property owner or contract purchaser under the penalties of perjury. The form must have a place for the county recorder to insert the record number and page where the mortgage, home equity line of credit, **qualified installment** contract, or memorandum of the contract is recorded. Upon receipt of the form and the recording of the mortgage, home equity line of credit, **qualified installment** contract, or memorandum of the contract, the county recorder shall insert on the form the record number and page where the mortgage, home equity line of credit, **qualified installment** contract, or memorandum of the contract is recorded and forward the completed form to the county auditor. The county recorder may not impose a charge for the county recorder's duties under this subsection. The statement must be completed and dated in the calendar year for which the person wishes to obtain the deduction and filed with the county recorder on or before January 5 of the immediately succeeding calendar year.

(c) With respect to:

- (1) real property as an alternative to a filing under subsection (b); or
- (2) a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property;

to apply for a deduction under section 1 of this chapter, a person who desires to claim the deduction may file a statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property the statement must be completed and dated in the calendar year for which the person wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. In addition to the statement required by this subsection, a contract buyer who desires to claim the deduction must submit a copy of the recorded **qualified installment** contract or recorded memorandum of the contract, which must contain a legal description sufficient to meet the requirements of IC 6-1.1-5, with the first statement that the buyer files under this section with respect to a particular parcel of real property.

(d) Upon receipt of:

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(1) the statement under subsection (b); or
(2) the statement under subsection (c) and the recorded **qualified installment** contract or recorded memorandum of the contract;
the county auditor shall assign a separate description and identification number to the parcel of real property being sold under the **qualified installment** contract.

(e) The statement referred to in subsections (b) and (c) must be verified under penalties for perjury. The statement must contain the following information:

- (1) The balance of the person's mortgage, home equity line of credit, or **qualified installment** contract indebtedness that is recorded in the county recorder's office on the assessment date of the year for which the deduction is claimed.
- (2) The assessed value of the real property, mobile home, or manufactured home.
- (3) The full name and complete residence address of the person and of the mortgagee or contract seller.
- (4) The name and residence of any assignee or bona fide owner or holder of the mortgage, home equity line of credit, or **qualified installment** contract, if known, and if not known, the person shall state that fact.
- (5) The record number and page where the mortgage, **qualified installment** contract, or memorandum of the contract is recorded.
- (6) A brief description of the real property, mobile home, or manufactured home which is encumbered by the mortgage or home equity line of credit or sold under the **qualified installment** contract.
- (7) If the person is not the sole legal or equitable owner of the real property, mobile home, or manufactured home, the exact share of the person's interest in it.
- (8) The name of any other county in which the person has applied for a deduction under this section and the amount of deduction claimed in that application.

(f) The authority for signing a deduction application filed under this section may not be delegated by the real property, mobile home, or manufactured home owner or contract buyer to any person except upon an executed power of attorney. The power of attorney may be contained in the recorded mortgage, **qualified installment** contract, or memorandum of the contract, or in a separate instrument.

(g) A closing agent (as defined in section 43(a)(2) of this chapter) is not liable for any damages claimed by the property owner or contract purchaser because of:

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- (1) the closing agent's failure to provide the written statement described in subsection (b);
- (2) the closing agent's failure to file the written statement described in subsection (b);
- (3) any omission or inaccuracy in the written statement described in subsection (b) that is filed with the county recorder by the closing agent; or
- (4) any determination made with respect to a property owner's or contract purchaser's eligibility for the deduction under section 1 of this chapter.

(h) The county recorder may not refuse to record a mortgage, **qualified installment** contract, or memorandum because the written statement described in subsection (b):

- (1) is not included with the mortgage, home equity line of credit, **qualified installment** contract, or memorandum of the contract;
- (2) does not contain the signatures required by subsection (b);
- (3) does not contain the information described in subsection (e); or
- (4) is otherwise incomplete or inaccurate.

(i) The form prescribed by the department of local government finance under subsection (b) and the instructions for the form must both include a statement:

- (1) that explains that a person is not entitled to a deduction under section 1 of this chapter unless the person has a balance on the person's mortgage or contract indebtedness that is recorded in the county recorder's office (including any home equity line of credit that is recorded in the county recorder's office) that is the basis for the deduction; and
- (2) that specifies the penalties for perjury.

(j) The department of local government finance shall develop a notice:

- (1) that must be displayed in a place accessible to the public in the office of each county auditor;
- (2) that includes the information described in subsection (i); and
- (3) that explains that the form prescribed by the department of local government finance to claim the deduction under section 1 of this chapter must be signed by the property owner or contract purchaser under the penalties of perjury.

SECTION 4. IC 6-1.1-12-9, AS AMENDED BY P.L.113-2010, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 9. (a) An individual may obtain a deduction from the assessed value of the individual's real property, or mobile home or

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manufactured home which is not assessed as real property, if:

(1) the individual is at least sixty-five (65) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) the combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of:

(A) the individual and the individual's spouse; or

(B) the individual and all other individuals with whom:

(i) the individual shares ownership; or

(ii) the individual is purchasing the property under a contract;

as joint tenants or tenants in common;

for the calendar year preceding the year in which the deduction is claimed did not exceed twenty-five thousand dollars (\$25,000);

(3) the individual has owned the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction; or the individual has been buying the real property, mobile home, or manufactured home under a **qualified installment** contract that provides that the individual is to pay the property taxes on the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction, and the contract or a memorandum of the contract is recorded in the county recorder's office;

(4) the individual and any individuals covered by subdivision (2)(B) reside on the real property, mobile home, or manufactured home;

(5) the assessed value of the real property, mobile home, or manufactured home does not exceed one hundred eighty-two thousand four hundred thirty dollars (\$182,430);

(6) the individual receives no other property tax deduction for the year in which the deduction is claimed, except the deductions provided by sections 1, 37, (for assessment dates after February 28, 2008) 37.5, and 38 of this chapter; and

(7) the person:

(A) owns the real property, mobile home, or manufactured home; or

(B) is buying the real property, mobile home, or manufactured home under a **qualified installment** contract;

on the date the statement required by section 10.1 of this chapter is filed.

(b) Except as provided in subsection (h), in the case of real property, an individual's deduction under this section equals the lesser of:

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- (1) one-half (1/2) of the assessed value of the real property; or
- (2) twelve thousand four hundred eighty dollars (\$12,480).

(c) Except as provided in subsection (h) and section 40.5 of this chapter, in the case of a mobile home that is not assessed as real property or a manufactured home which is not assessed as real property, an individual's deduction under this section equals the lesser of:

- (1) one-half (1/2) of the assessed value of the mobile home or manufactured home; or
- (2) twelve thousand four hundred eighty dollars (\$12,480).

(d) An individual may not be denied the deduction provided under this section because the individual is absent from the real property, mobile home, or manufactured home while in a nursing home or hospital.

(e) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by:

- (1) tenants by the entirety;
- (2) joint tenants; or
- (3) tenants in common;

only one (1) deduction may be allowed. However, the age requirement is satisfied if any one (1) of the tenants is at least sixty-five (65) years of age.

(f) A surviving spouse is entitled to the deduction provided by this section if:

- (1) the surviving spouse is at least sixty (60) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;
- (2) the surviving spouse's deceased husband or wife was at least sixty-five (65) years of age at the time of a death;
- (3) the surviving spouse has not remarried; and
- (4) the surviving spouse satisfies the requirements prescribed in subsection (a)(2) through (a)(7).

(g) An individual who has sold real property to another person under a **qualified installment** contract ~~that provides that the contract buyer is to pay the property taxes on the real property~~ may not claim the deduction provided under this section against that real property.

(h) In the case of tenants covered by subsection (a)(2)(B), if all of the tenants are not at least sixty-five (65) years of age, the deduction allowed under this section shall be reduced by an amount equal to the deduction multiplied by a fraction. The numerator of the fraction is the number of tenants who are not at least sixty-five (65) years of age, and the denominator is the total number of tenants.

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SECTION 5. IC 6-1.1-12-10.1, AS AMENDED BY P.L.144-2008, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 10.1. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by section 9 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is located. With respect to real property, the statement must be filed during the year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement referred to in subsection (a) shall be in affidavit form or require verification under penalties of perjury. The statement must be filed in duplicate if the applicant owns, or is buying under a contract, real property, a mobile home, or a manufactured home subject to assessment in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) the source and exact amount of gross income received by the individual and the individual's spouse during the preceding calendar year;
- (2) the description and assessed value of the real property, mobile home, or manufactured home;
- (3) the individual's full name and complete residence address;
- (4) the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on **a qualified installment** contract; and
- (5) any additional information which the department of local government finance may require.

(c) In order to substantiate the deduction statement, the applicant shall submit for inspection by the county auditor a copy of the applicant's and a copy of the applicant's spouse's income tax returns for the preceding calendar year. If either was not required to file an income tax return, the applicant shall subscribe to that fact in the deduction statement.

SECTION 6. IC 6-1.1-12-11, AS AMENDED BY P.L.1-2010, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JULY 1, 2011]: Sec. 11. (a) Except as provided in section 40.5 of this chapter, an individual may have the sum of twelve thousand four hundred eighty dollars (\$12,480) deducted from the assessed value of real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual owns, or that the individual is buying under a **qualified installment** contract ~~that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:~~

- (1) the individual is blind or the individual has a disability;
- (2) the real property, mobile home, or manufactured home is principally used and occupied by the individual as the individual's residence;
- (3) the individual's taxable gross income for the calendar year preceding the year in which the deduction is claimed did not exceed seventeen thousand dollars (\$17,000); and
- (4) the individual:
 - (A) owns the real property, mobile home, or manufactured home; or
 - (B) is buying the real property, mobile home, or manufactured home under a **qualified installment** contract;
 on the date the statement required by section 12 of this chapter is filed.

(b) For purposes of this section, taxable gross income does not include income which is not taxed under the federal income tax laws.

(c) For purposes of this section, "blind" has the same meaning as the definition contained in IC 12-7-2-21(1).

(d) For purposes of this section, "individual with a disability" means a person unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment which:

- (1) can be expected to result in death; or
- (2) has lasted or can be expected to last for a continuous period of not less than twelve (12) months.

(e) An individual with a disability filing a claim under this section shall submit proof of disability in such form and manner as the department shall by rule prescribe. Proof that a claimant is eligible to receive disability benefits under the federal Social Security Act (42 U.S.C. 301 et seq.) shall constitute proof of disability for purposes of this section.

(f) An individual with a disability not covered under the federal Social Security Act shall be examined by a physician and the

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individual's status as an individual with a disability determined by using the same standards as used by the Social Security Administration. The costs of this examination shall be borne by the claimant.

(g) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a **qualified installment** contract ~~that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home~~ may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 7. IC 6-1.1-12-12, AS AMENDED BY P.L.1-2009, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 12. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided in section 11 of this chapter must file an application, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property, the application must be filed during the year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the application must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) Proof of blindness may be supported by:

- (1) the records of the division of family resources or the division of disability and rehabilitative services; or
- (2) the written statement of a physician who is licensed by this state and skilled in the diseases of the eye or of a licensed optometrist.

(c) The application required by this section must contain the record number and page where the **qualified installment** contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on a **qualified installment** contract. ~~that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home.~~

SECTION 8. IC 6-1.1-12-13, AS AMENDED BY P.L.1-2010, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 13. (a) Except as provided in section 40.5 of this

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chapter an individual may have twenty-four thousand nine hundred sixty dollars (\$24,960) deducted from the assessed value of the taxable tangible property that the individual owns, or real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property that the individual is buying under a **qualified installment** contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office and if:

- (1) the individual served in the military or naval forces of the United States during any of its wars;
- (2) the individual received an honorable discharge;
- (3) the individual has a disability with a service connected disability of ten percent (10%) or more;
- (4) the individual's disability is evidenced by:
 - (A) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs; or
 - (B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section; and
- (5) the individual:
 - (A) owns the real property, mobile home, or manufactured home; or
 - (B) is buying the real property, mobile home, or manufactured home under a **qualified installment** contract;

on the date the statement required by section 15 of this chapter is filed.

(b) The surviving spouse of an individual may receive the deduction provided by this section if the individual would qualify for the deduction if the individual were alive.

(c) One who receives the deduction provided by this section may not receive the deduction provided by section 16 of this chapter. However, the individual may receive any other property tax deduction which the individual is entitled to by law.

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a **qualified installment** contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the

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deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 9. IC 6-1.1-12-14, AS AMENDED BY P.L.1-2009, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 14. (a) Except as provided in subsection (c) and except as provided in section 40.5 of this chapter, an individual may have the sum of twelve thousand four hundred eighty dollars (\$12,480) deducted from the assessed value of the tangible property that the individual owns (or the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual is buying under a **qualified installment** contract) ~~that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home if the contract or a memorandum of the contract is recorded in the county recorder's office)~~ if:

- (1) the individual served in the military or naval forces of the United States for at least ninety (90) days;
- (2) the individual received an honorable discharge;
- (3) the individual either:
 - (A) has a total disability; or
 - (B) is at least sixty-two (62) years old and has a disability of at least ten percent (10%);
- (4) the individual's disability is evidenced by:
 - (A) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs; or
 - (B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section; and
- (5) the individual:
 - (A) owns the real property, mobile home, or manufactured home; or
 - (B) is buying the real property, mobile home, or manufactured home under a **qualified installment** contract;
 on the date the statement required by section 15 of this chapter is filed.

(b) Except as provided in subsection (c), the surviving spouse of an individual may receive the deduction provided by this section if the individual would qualify for the deduction if the individual were alive.

(c) No one is entitled to the deduction provided by this section if the assessed value of the individual's tangible property, as shown by the tax

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duplicate, exceeds one hundred forty-three thousand one hundred sixty dollars (\$143,160).

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a **qualified installment** contract ~~that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home~~ may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 10. IC 6-1.1-12-15, AS AMENDED BY P.L.144-2008, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 15. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by section 13 or section 14 of this chapter must file a statement with the auditor of the county in which the individual resides. With respect to real property, the statement must be filed during the year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain a sworn declaration that the individual is entitled to the deduction.

(b) In addition to the statement, the individual shall submit to the county auditor for the auditor's inspection:

- (1) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 13 of this chapter;
- (2) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 14 of this chapter; or
- (3) the appropriate certificate of eligibility issued to the individual by the Indiana department of veterans' affairs if the individual claims the deduction provided by section 13 or 14 of this chapter.

(c) If the individual claiming the deduction is under guardianship, the guardian shall file the statement required by this section.

(d) If the individual claiming a deduction under section 13 or 14 of this chapter is buying real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property under

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a **qualified installment** contract, ~~that provides that the individual is to pay property taxes for the real estate, mobile home, or manufactured home;~~ the statement required by this section must contain the record number and page where the contract or memorandum of the contract is recorded.

SECTION 11. IC 6-1.1-12-16, AS AMENDED BY P.L.1-2009, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 16. (a) Except as provided in section 40.5 of this chapter, a surviving spouse may have the sum of eighteen thousand seven hundred twenty dollars (\$18,720) deducted from the assessed value of his or her tangible property, or real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the surviving spouse is buying under a **qualified installment** contract ~~that provides that the surviving spouse is to pay property taxes on the real property, mobile home, or manufactured home;~~ if the contract or a memorandum of the contract is recorded in the county recorder's office; and if:

- (1) the deceased spouse served in the military or naval forces of the United States before November 12, 1918;
- (2) the deceased spouse received an honorable discharge; and
- (3) the surviving spouse:
 - (A) owns the real property, mobile home, or manufactured home; or
 - (B) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 17 of this chapter is filed.

(b) A surviving spouse who receives the deduction provided by this section may not receive the deduction provided by section 13 of this chapter. However, he or she may receive any other deduction which he or she is entitled to by law.

(c) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a **qualified installment** contract ~~that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home~~ may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 12. IC 6-1.1-12-17, AS AMENDED BY P.L.144-2008, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 17. Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a surviving spouse

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who desires to claim the deduction provided by section 16 of this chapter must file a statement with the auditor of the county in which the surviving spouse resides. With respect to real property, the statement must be filed during the year for which the surviving spouse wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain:

- (1) a sworn statement that the surviving spouse is entitled to the deduction; and
- (2) the record number and page where the **qualified installment** contract or memorandum of the contract is recorded, if the individual is buying the real property on a **qualified installment** contract. ~~that provides that the individual is to pay property taxes on the real property.~~

In addition to the statement, the surviving spouse shall submit to the county auditor for the auditor's inspection a letter or certificate from the United States Department of Veterans Affairs establishing the service of the deceased spouse in the military or naval forces of the United States before November 12, 1918.

SECTION 13. IC 6-1.1-12-17.4, AS AMENDED BY P.L.1-2009, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 17.4. (a) Except as provided in section 40.5 of this chapter, a World War I veteran who is a resident of Indiana is entitled to have the sum of eighteen thousand seven hundred twenty dollars (\$18,720) deducted from the assessed valuation of the real property (including a mobile home that is assessed as real property), mobile home that is not assessed as real property, or manufactured home that is not assessed as real property the veteran owns or is buying under a **qualified installment** contract ~~that requires the veteran to pay property taxes on the real property; if the contract or a memorandum of the contract is recorded in the county recorder's office; if:~~

- (1) the real property, mobile home, or manufactured home is the veteran's principal residence;
- (2) the assessed valuation of the real property, mobile home, or manufactured home does not exceed two hundred six thousand five hundred dollars (\$206,500);
- (3) the veteran owns the real property, mobile home, or manufactured home for at least one (1) year before claiming the

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deduction; and

(4) the veteran:

(A) owns the real property, mobile home, or manufactured home; or

(B) is buying the real property, mobile home, or manufactured home under a **qualified installment** contract;

on the date the statement required by section 17.5 of this chapter is filed.

(b) An individual may not be denied the deduction provided by this section because the individual is absent from the individual's principal residence while in a nursing home or hospital.

(c) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by a husband and wife as tenants by the entirety, only one (1) deduction may be allowed under this section. However, the deduction provided in this section applies if either spouse satisfies the requirements prescribed in subsection (a).

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a **qualified installment** contract ~~that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home~~ may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home.

SECTION 14. IC 6-1.1-12-17.5, AS AMENDED BY P.L.144-2008, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 17.5. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a veteran who desires to claim the deduction provided in section 17.4 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is assessed. With respect to real property, the veteran must file the statement during the year for which the veteran wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement required under this section shall be in affidavit form or require verification under penalties of perjury. The statement shall be filed in duplicate if the veteran has, or is buying under a

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contract, real property in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) a description and the assessed value of the real property, mobile home, or manufactured home;
- (2) the veteran's full name and complete residence address;
- (3) the record number and page where the contract or memorandum of the **qualified installment** contract is recorded, if the individual is buying the real property, mobile home, or manufactured home on a **qualified installment** contract; that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home; and
- (4) any additional information which the department of local government finance may require."

Page 3, line 17, reset in roman "A".

Page 3, line 17, delete "An eligible".

Page 5, delete lines 14 through 32, begin a new line block indented and insert:

"(2) "Eligible cooperative housing corporation property" means property that is:

(A) owned by a cooperative housing corporation (as defined in 26 U.S.C. 216); and

(B) used as the principal place of residence of an individual who:

(i) is a tenant-stockholder (as defined in 26 U.S.C. 216) in the cooperative housing corporation referred to in clause (A); and

(ii) can demonstrate an ownership interest in the shares of the cooperative housing corporation that has a value at least equal to the true tax value of the property that the individual uses as the individual's principal place of residence.

Subject to subsection (m), the term includes a proportionate share of common areas used for residential purposes by individuals described in clause (B). The term does not include a leasing or zero equity cooperative."

Page 5, line 33, strike "(2)" and insert "(3)".

Page 5, line 38, delete "contract," and insert "**qualified installment** contract;".

Page 5, line 38, strike "recorded in the".

Page 5, strike lines 39 through 40.

Page 5, line 41, strike "the individual is entitled to occupy as a".

Page 5, line 42, strike " tenant-stockholder (as defined in 26 U.S.C.

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216) of".

Page 5, line 42, delete "an" and insert "is".

Page 6, line 1, delete "corporation;" and insert "corporation".

Page 6, line 2, delete "216);" and insert "216) **property;**".

Page 6, line 33, after "a" insert "**qualified installment**".

Page 6, line 33, strike "that provides that the contract buyer".

Page 6, strike line 34.

Page 6, line 35, strike "manufactured home".

Page 10, between lines 20 and 21, begin a new paragraph and insert:
"SECTION 17. IC 6-1.1-12-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 39. (a) A person who is:

(1) purchasing property under a contract that does not require the buyer to pay property taxes on the property; and

(2) required to pay property taxes under IC 6-1.1-10-41;

is eligible for a deduction granted by this chapter to the same extent as a person who is buying property under a **qualified installment contract**. ~~that provides the contract buyer is to pay property taxes on the property.~~

(b) To obtain the deduction, with the application the applicant must provide:

(1) the same information concerning the contract that is required for **qualified installment** contracts; ~~that require the buyer to pay property taxes;~~ and

(2) information that indicates that IC 6-1.1-10-41 applies to the property.

SECTION 18. IC 6-1.1-12-46 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 46. (a) This section applies to an assessed valuation deduction claimed for:**

(1) an assessment date occurring after February 28, 2012, with respect to property taxes first due and payable after December 31, 2012, for an assessed valuation deduction claimed for real property; or

(2) an assessment date occurring after December 31, 2011, with respect to property taxes first due and payable after December 31, 2011, for an assessed valuation deduction claimed for a mobile home or manufactured home assessed under IC 6-1.1-7.

(b) A person who:

(1) owns property subject to taxation under this article;

(2) misrepresents a residential lease as a qualified installment

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contract; and

(3) through the misrepresentation described in subdivision (2) causes another individual to improperly claim a deduction that is made available to a buyer under a qualified installment contract under this chapter;

is liable for any additional taxes that would have been due on the property if the person had leased the property to the purported contract buyer, plus a civil penalty equal to ten percent (10%) of the additional taxes due.

(c) The civil penalty imposed under subsection (b) is in addition to any interest and penalties for a delinquent payment that might otherwise be due.

(d) One percent (1%) of the total civil penalty collected under this section shall be transferred by the county to the department of local government finance for use by the department in establishing and maintaining the homestead property data base under section 37 of this chapter and, to the extent there is money remaining, for any other purposes of the department. This amount becomes part of the property tax liability for purposes of this article."

Page 10, line 21, delete "IC 6-1.1-12-46" and insert "IC 6-1.1-12-47".

Page 10, line 23, delete "46." and insert "47."

Page 10, line 28, delete "an".

Page 10, line 28, after "corporation" insert "**property**".

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1270 as introduced.)

ESPICH, Chair

Committee Vote: yeas 20, nays 0.

HOUSE MOTION

Mr. Speaker: I move that House Bill 1270 be amended to read as follows:

Page 1, line 3, after "14.5." insert "**(a)**".

Page 1, line 4, delete "a" and insert "**the following**:"

(1) A".

Page 1, line 5, delete "following requirements:" and insert "**requirements in subsection (b)**."

HB 1270—LS 7443/DI 51+

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(2) A contract for:

(A) the purchase of a mobile home not assessed as real property; or

(B) a manufactured home that is not assessed as real property;

that complies with each of the requirements in subsection (c).

(b) A contract for the purchase of real property is a qualified installment contract if the contract complies with each of the following requirements:"

Page 1, line 8, delete "property, mobile home, or manufactured home" and insert "**property**".

Page 1, between lines 15 and 16, begin a new paragraph and insert:

"(c) A contract for the purchase of a mobile home not assessed as real property or a manufactured home that is not assessed as real property is a qualified installment contract if the contract complies with each of the following requirements:

(1) The contract or a memorandum of the contract is recorded with the county recorder's office of the county in which the mobile home or manufactured home is located.

(2) The contract requires the buyer to pay the property taxes on the mobile home or manufactured home."

(Reference is to HB 1270 as printed February 15, 2011.)

PRYOR

HOUSE MOTION

Mr. Speaker: I move that House Bill 1270 be amended to read as follows:

Page 1, between lines 15 and 16, begin a new paragraph and insert:

"SECTION 2. IC 6-1.1-10-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:
Sec. 24. (a) Subject to the limitations contained in subsection (b) of this section, the following tangible property is exempt from property taxation if it is owned by a fraternity or sorority:

- (1) a tract of land; ~~not exceeding one (1) acre;~~**
- (2) the improvements situated on the tract of land; and**
- (3) all personal property.**

(b) This exemption does not apply unless:

- (1) the fraternity or sorority is connected with **or related to**, and under the supervision of, a college, university, or other**



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educational institution; ~~and or~~

(2) the property is used exclusively by the fraternity or sorority to carry out its purpose, **including as an international, national, state, or local headquarters or to support the administrative, executive, or other functions associated with the operation of a fraternity or sorority.**

(c) For purposes of this section, "fraternity or sorority" includes:

(1) a fraternity or sorority that is connected with or related to, and under the supervision of, a college, university, or other educational institution;

(2) an international, national, state, or local fraternity or sorority that administers, coordinates, operates, or governs fraternity or sorority chapters, units, divisions, or other groups or group members that are connected with or related to, and under the supervision of, a college, university, or other educational institution;

(3) a foundation related to a fraternity or sorority; or

(4) a housing corporation or similar entity related to a fraternity or sorority.

(d) To qualify for the exemption allowed by this section, the property may be owned, occupied, or used by more than one (1) fraternity or sorority, as long as the property is used to carry out the purposes of fraternities or sororities.

SECTION 3. IC 6-1.1-11-4, AS AMENDED BY P.L.182-2009(ss), SECTION 107, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: Sec. 4. (a) The exemption application referred to in section 3 of this chapter is not required if the exempt property is owned by the United States, the state, an agency of this state, or a political subdivision (as defined in IC 36-1-2-13). However, this subsection applies only when the property is used, and in the case of real property occupied, by the owner.

(b) The exemption application referred to in section 3 of this chapter is not required if the exempt property is a cemetery:

(1) described by IC 6-1.1-2-7; or

(2) maintained by a township executive under IC 23-14-68.

(c) The exemption application referred to in section 3 of this chapter is not required if the exempt property is owned by the bureau of motor vehicles commission established under IC 9-15-1.

(d) The exemption application referred to in section 3 or 3.5 of this chapter is not required if:

(1) the exempt property is:

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(A) tangible property used for religious purposes described in IC 6-1.1-10-21;

(B) tangible property owned by a church or religious society used for educational purposes described in IC 6-1.1-10-16; ~~or~~

(C) other tangible property owned, occupied, and used by a person for educational, literary, scientific, religious, or charitable purposes described in IC 6-1.1-10-16; ~~or~~

(D) other tangible property owned by a fraternity or sorority (as defined in IC 6-1.1-10-24).

(2) the exemption application referred to in section 3 or 3.5 of this chapter was filed properly at least once for a religious use under IC 6-1.1-10-21, ~~or~~ an educational, literary, scientific, religious, or charitable use under IC 6-1.1-10-16, **or use by a fraternity or sorority under IC 6-1.1-10-24;** and

(3) the property continues to meet the requirements for an exemption under IC 6-1.1-10-16, ~~or~~ IC 6-1.1-10-21, **or IC 6-1.1-10-24.**

A change in ownership of property does not terminate an exemption of the property if after the change in ownership the property continues to meet the requirements for an exemption under IC 6-1.1-10-16, ~~or~~ IC 6-1.1-10-21, **or IC 6-1.1-10-24.** However, if title to any of the real property subject to the exemption changes or any of the tangible property subject to the exemption is used for a nonexempt purpose after the date of the last properly filed exemption application, the person that obtained the exemption or the current owner of the property shall notify the county assessor for the county where the tangible property is located of the change in the year that the change occurs. The notice must be in the form prescribed by the department of local government finance. If the county assessor discovers that title to property granted an exemption described in IC 6-1.1-10-16, ~~or~~ IC 6-1.1-10-21, **or IC 6-1.1-10-24** has changed, the county assessor shall notify the persons entitled to a tax statement under IC 6-1.1-22-8.1 for the property of the change in title and indicate that the county auditor will suspend the exemption for the property until the persons provide the county assessor with an affidavit, signed under penalties of perjury, that identifies the new owners of the property and indicates that the property continues to meet the requirements for an exemption under IC 6-1.1-10-21, ~~or~~ IC 6-1.1-10-16, **or IC 6-1.1-10-24.** Upon receipt of the affidavit, the county assessor shall reinstate the exemption for the years for which the exemption was suspended and each year thereafter that the property continues to meet the requirements for an exemption under IC 6-1.1-10-21, ~~or~~ IC 6-1.1-10-16, **or IC 6-1.1-10-24."**

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Page 28, between lines 11 and 12, begin a new paragraph and insert:
 "SECTION 23. [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)] (a) **IC 6-1.1-10-24, as amended by this act, applies to IC 6-1.1-11-4, as amended by this act, as if both provisions had been in effect on January 1, 2008.**

(b) This SECTION expires January 1, 2013.

SECTION 24. [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)] (a) **With respect to an assessment date (as defined by IC 6-1.1-1-2) occurring after December 31, 2009, and before January 1, 2013, the definition of "fraternity or sorority" set forth in IC 6-1.1-10-24, as amended by this act, includes a limited liability company whose members are predominantly fraternities, sororities, or foundations related to fraternities or sororities.**

(b) With respect to the March 1, 2010, assessment date, the exemption allowed by IC 6-1.1-10-24, as amended by this act, applies to tangible property acquired for future use by a fraternity or sorority for a use set forth in IC 6-1.1-10-24(b)(2), as amended by this act.

(c) This SECTION expires January 1, 2013.

SECTION 25. [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)] (a) **This SECTION applies to a taxpayer, notwithstanding IC 6-1.1-3, IC 6-1.1-11, IC 6-1.1-17, IC 6-1.1-37, 50 IAC 4.2, 50 IAC 16, or any other statute or administrative rule.**

(b) This section applies to an assessment date (as defined by IC 6-1.1-1-2) occurring after December 31, 2005, and before January 1, 2010.

(c) As used in this SECTION, "taxpayer" refers to an Indiana nonprofit corporation that owns real and personal property used as part of or in connection with a men's cooperative house.

(d) A taxpayer, after February 13, 2011, but before February 26, 2011, may file or refile in person or in any other manner consistent with IC 6-1.1-36-1.5:

- (1) a Form 136 property tax exemption application, along with any supporting documents, schedules, or attachments, claiming an exemption from real property taxes or personal property taxes, or both under IC 6-1.1-10-16 or IC 6-1.1-10-24 for any assessment date described in subsection (b); and**
- (2) a personal property tax return, along with any supporting documents, schedules, or attachments, relating to any personal property under IC 6-1.1-10-16 or IC 6-1.1-10-24 for any assessment date for which an exemption is claimed on a**

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Form 136 property tax exemption application that is filed under this subsection.

(e) Any property tax exemption application or personal property tax return filed or refiled under subsection (d):

- (1) is, subject to this SECTION, allowed; and
- (2) is considered to have been timely filed.

(f) If the taxpayer demonstrates in the application or by other means that the property that is subject to the exemption would have qualified for an exemption under IC 6-1.1-10-16 as owned, occupied, and used for an educational, religious, or charitable purpose or under IC 6-1.1-10-24 if the application had been filed under IC 6-1.1-11 in a timely manner:

- (1) the taxpayer is entitled to the exemptions from real property taxes, personal property taxes, or both, as claimed on the property tax exemption applications filed or refiled by the taxpayer under subsection (d); and
- (2) shall pay no property taxes, penalties, or interest with respect to the exempt property.

(g) For its property to be exempt under this SECTION, the taxpayer must have received for an assessment date preceding or following any assessment date described in subsection (b) an exemption or partial exemption from property taxes for property identified by the same parcel or key numbers or the same parcel and key numbers included on the property tax exemption applications filed or refiled by the taxpayer under subsection (d).

(h) This SECTION expires January 1, 2013."
Renumber all SECTIONS consecutively.

(Reference is to HB 1270 as printed February 15, 2011.)

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