



February 8, 2011

HOUSE BILL No. 1455

DIGEST OF HB 1455 (Updated February 8, 2011 10:53 am - DI 77)

Citations Affected: IC 6-1.1.

Synopsis: Tax abatement for agricultural property. Permits an economic revitalization area to be established in an area predominately used for agricultural purposes. Makes redevelopment or rehabilitation in an agricultural economic development area and new farm equipment eligible for local tax abatement. Makes property that is the subject of a succession in operation or control of a family farm eligible for a local tax abatement.

Effective: Upon passage.

**Bacon, Ellspermann, VanNatter,
Battles**

January 20, 2011, read first time and referred to Committee on Agriculture and Rural Development.

February 8, 2011, reported — Do Pass. Recommitted to Committee on Ways and Means pursuant to Rule 127.

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HB 1455—LS 7150/DI 51+



February 8, 2011

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. 1455



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 6-1.1-12.1-1, AS AMENDED BY P.L.224-2007,
2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 1. For purposes of this chapter:

4 (1) "Economic revitalization area" means an area, ~~which that~~ is
5 within the corporate limits of a city, town, or county ~~which and~~
6 **that either** has become undesirable for, or impossible of, normal
7 development and occupancy because of a lack of development,
8 cessation of growth, deterioration of improvements or character
9 of occupancy, age, obsolescence, substandard buildings, or other
10 factors which have impaired values or prevent a normal
11 development of property or use of property **or, as a condition of**
12 **being designated an economic revitalization area, will be**
13 **predominately used for agricultural purposes for the period**
14 **specified by the designating body.** The term "economic
15 revitalization area" also includes:

16 (A) any area where a facility or a group of facilities that are
17 technologically, economically, or energy obsolete are located

HB 1455—LS 7150/DI 51+



1 and where the obsolescence may lead to a decline in
 2 employment and tax revenues; and
 3 (B) a residentially distressed area, except as otherwise
 4 provided in this chapter.
 5 (2) "City" means any city in this state, and "town" means any town
 6 incorporated under IC 36-5-1.
 7 (3) "New manufacturing equipment" means tangible personal
 8 property that a deduction applicant:
 9 (A) installs after February 28, 1983, and on or before the
 10 approval deadline determined under section 9 of this chapter,
 11 in an area that is declared an economic revitalization area after
 12 February 28, 1983, in which a deduction for tangible personal
 13 property is allowed;
 14 (B) uses in the direct production, manufacture, fabrication,
 15 assembly, extraction, mining, processing, refining, or finishing
 16 of other tangible personal property, including but not limited
 17 to use to dispose of solid waste or hazardous waste by
 18 converting the solid waste or hazardous waste into energy or
 19 other useful products;
 20 (C) acquires for use as described in clause (B):
 21 (i) in an arms length transaction from an entity that is not an
 22 affiliate of the deduction applicant, if the tangible personal
 23 property has been previously used in Indiana before the
 24 installation described in clause (A); or
 25 (ii) in any manner, if the tangible personal property has
 26 never been previously used in Indiana before the installation
 27 described in clause (A); and
 28 (D) has never used for any purpose in Indiana before the
 29 installation described in clause (A).
 30 However, notwithstanding any other law, the term includes
 31 tangible personal property that is used to dispose of solid waste or
 32 hazardous waste by converting the solid waste or hazardous waste
 33 into energy or other useful products and was installed after March
 34 1, 1993, and before March 2, 1996, even if the property was
 35 installed before the area where the property is located was
 36 designated as an economic revitalization area or the statement of
 37 benefits for the property was approved by the designating body.
 38 (4) "Property" means a building or structure, but does not include
 39 land.
 40 (5) "Redevelopment" means the construction of new structures,
 41 in economic revitalization areas, either:
 42 (A) on unimproved real estate; or

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- 1 (B) on real estate upon which a prior existing structure is
- 2 demolished to allow for a new construction.
- 3 (6) "Rehabilitation" means the remodeling, repair, or betterment
- 4 of property in any manner or any enlargement or extension of
- 5 property.
- 6 (7) "Designating body" means the following:
- 7 (A) For a county that does not contain a consolidated city, the
- 8 fiscal body of the county, city, or town.
- 9 (B) For a county containing a consolidated city, the
- 10 metropolitan development commission.
- 11 (8) "Deduction application" means:
- 12 (A) the application filed in accordance with section 5 of this
- 13 chapter by a property owner who desires to obtain the
- 14 deduction provided by section 3 of this chapter;
- 15 (B) the application filed in accordance with section 5.4 of this
- 16 chapter by a person who desires to obtain the deduction
- 17 provided by section 4.5 of this chapter; or
- 18 (C) the application filed in accordance with section 5.3 of this
- 19 chapter by a property owner that desires to obtain the
- 20 deduction provided by section 4.8 of this chapter.
- 21 (9) "Designation application" means an application that is filed
- 22 with a designating body to assist that body in making a
- 23 determination about whether a particular area should be
- 24 designated as an economic revitalization area.
- 25 (10) "Hazardous waste" has the meaning set forth in
- 26 IC 13-11-2-99(a). The term includes waste determined to be a
- 27 hazardous waste under IC 13-22-2-3(b).
- 28 (11) "Solid waste" has the meaning set forth in IC 13-11-2-205(a).
- 29 However, the term does not include dead animals or any animal
- 30 solid or semisolid wastes.
- 31 (12) "New research and development equipment" means tangible
- 32 personal property that:
- 33 (A) a deduction applicant installs after June 30, 2000, and on
- 34 or before the approval deadline determined under section 9 of
- 35 this chapter, in an economic revitalization area in which a
- 36 deduction for tangible personal property is allowed;
- 37 (B) consists of:
- 38 (i) laboratory equipment;
- 39 (ii) research and development equipment;
- 40 (iii) computers and computer software;
- 41 (iv) telecommunications equipment; or
- 42 (v) testing equipment;

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1 (C) the deduction applicant uses in research and development
 2 activities devoted directly and exclusively to experimental or
 3 laboratory research and development for new products, new
 4 uses of existing products, or improving or testing existing
 5 products;
 6 (D) the deduction applicant acquires for purposes described in
 7 this subdivision:
 8 (i) in an arms length transaction from an entity that is not an
 9 affiliate of the deduction applicant, if the tangible personal
 10 property has been previously used in Indiana before the
 11 installation described in clause (A); or
 12 (ii) in any manner, if the tangible personal property has
 13 never been previously used in Indiana before the installation
 14 described in clause (A); and
 15 (E) the deduction applicant has never used for any purpose in
 16 Indiana before the installation described in clause (A).
 17 The term does not include equipment installed in facilities used
 18 for or in connection with efficiency surveys, management studies,
 19 consumer surveys, economic surveys, advertising or promotion,
 20 or research in connection with literacy, history, or similar
 21 projects.
 22 (13) "New logistical distribution equipment" means tangible
 23 personal property that:
 24 (A) a deduction applicant installs after June 30, 2004, and on
 25 or before the approval deadline determined under section 9 of
 26 this chapter, in an economic revitalization area in which a
 27 deduction for tangible personal property is allowed;
 28 (B) consists of:
 29 (i) racking equipment;
 30 (ii) scanning or coding equipment;
 31 (iii) separators;
 32 (iv) conveyors;
 33 (v) fork lifts or lifting equipment (including "walk
 34 behinds");
 35 (vi) transitional moving equipment;
 36 (vii) packaging equipment;
 37 (viii) sorting and picking equipment; or
 38 (ix) software for technology used in logistical distribution;
 39 (C) the deduction applicant acquires for the storage or
 40 distribution of goods, services, or information:
 41 (i) in an arms length transaction from an entity that is not an
 42 affiliate of the deduction applicant, if the tangible personal

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- 1 property has been previously used in Indiana before the
- 2 installation described in clause (A); and
- 3 (ii) in any manner, if the tangible personal property has
- 4 never been previously used in Indiana before the installation
- 5 described in clause (A); and
- 6 (D) the deduction applicant has never used for any purpose in
- 7 Indiana before the installation described in clause (A).
- 8 (14) "New information technology equipment" means tangible
- 9 personal property that:
- 10 (A) a deduction applicant installs after June 30, 2004, and on
- 11 or before the approval deadline determined under section 9 of
- 12 this chapter, in an economic revitalization area in which a
- 13 deduction for tangible personal property is allowed;
- 14 (B) consists of equipment, including software, used in the
- 15 fields of:
- 16 (i) information processing;
- 17 (ii) office automation;
- 18 (iii) telecommunication facilities and networks;
- 19 (iv) informatics;
- 20 (v) network administration;
- 21 (vi) software development; and
- 22 (vii) fiber optics;
- 23 (C) the deduction applicant acquires in an arms length
- 24 transaction from an entity that is not an affiliate of the
- 25 deduction applicant; and
- 26 (D) the deduction applicant never used for any purpose in
- 27 Indiana before the installation described in clause (A).
- 28 (15) "Deduction applicant" means an owner of tangible personal
- 29 property who makes a deduction application.
- 30 (16) "Affiliate" means an entity that effectively controls or is
- 31 controlled by a deduction applicant or is associated with a
- 32 deduction applicant under common ownership or control, whether
- 33 by shareholdings or other means.
- 34 (17) "Eligible vacant building" means a building that:
- 35 (A) is zoned for commercial or industrial purposes; and
- 36 (B) is unoccupied for at least one (1) year before the owner of
- 37 the building or a tenant of the owner occupies the building, as
- 38 evidenced by a valid certificate of occupancy, paid utility
- 39 receipts, executed lease agreements, or any other evidence of
- 40 occupation that the department of local government finance
- 41 requires.
- 42 (18) "Agricultural purpose" means the production,

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extraction, harvesting, or processing of agricultural commodities on land classified for property tax purposes as agricultural land.

(19) "New farm equipment" means tangible personal property that a deduction applicant:

(A) installs after July 1, 2011, and on or before the approval deadline determined under section 9 of this chapter, in an area that is declared an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) uses in the direct production, extraction, harvesting, or processing of agricultural commodities for sale on land classified for property tax purposes as agricultural land, including use to dispose of solid waste or hazardous waste generated in an agricultural operation by converting the solid waste or hazardous waste into energy or other useful products;

(C) acquires for use as described in clause (B):
(i) in an arms length transaction from an entity that is not an affiliate of the deduction applicant, if the tangible personal property has been previously used in Indiana before the installation described in clause (A); or
(ii) in any manner, if the tangible personal property has never been previously used in Indiana before the installation described in clause (A); and

(D) has never used for any purpose in Indiana before the installation described in clause (A).

However, a designating body may waive the application of clauses (C) and (D) and the requirement of installation after July 1, 2011, and treat existing tangible personal property that is the subject of a succession as new farm equipment if the designating body determines that the waiver will promote the continuation of a family farm as a family farm after the succession. The determination must be included in the resolution approving a deduction for the tangible personal property.

(20) "Family farm" means a farm in which the majority of the business is owned by the operator and individuals related to the operator by blood, marriage, or adoption, including relatives that do not live in the operator household.

(21) "Succession" means a change in the operator or control of a family farm among individuals who are related by blood,

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1 **marriage, or adoption.**

2 SECTION 2. IC 6-1.1-12.1-2, AS AMENDED BY P.L.146-2008,
3 SECTION 121, IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A designating body may
5 find that a particular area within its jurisdiction is an economic
6 revitalization area. However, the deduction provided by this chapter for
7 economic revitalization areas not within a city or town shall not be
8 available to retail businesses.

9 (b) In a county containing a consolidated city or within a city or
10 town, a designating body may find that a particular area within its
11 jurisdiction is a residentially distressed area. Designation of an area as
12 a residentially distressed area has the same effect as designating an
13 area as an economic revitalization area, except that the amount of the
14 deduction shall be calculated as specified in section 4.1 of this chapter
15 and the deduction is allowed for not more than five (5) years. In order
16 to declare a particular area a residentially distressed area, the
17 designating body must follow the same procedure that is required to
18 designate an area as an economic revitalization area and must make all
19 the following additional findings or all the additional findings
20 described in subsection (c):

- 21 (1) The area is comprised of parcels that are either unimproved or
22 contain only one (1) or two (2) family dwellings or multifamily
23 dwellings designed for up to four (4) families, including accessory
24 buildings for those dwellings.
25 (2) Any dwellings in the area are not permanently occupied and
26 are:
27 (A) the subject of an order issued under IC 36-7-9; or
28 (B) evidencing significant building deficiencies.
29 (3) Parcels of property in the area:
30 (A) have been sold and not redeemed under IC 6-1.1-24 and
31 IC 6-1.1-25; or
32 (B) are owned by a unit of local government.

33 However, in a city in a county having a population of more than two
34 hundred thousand (200,000) but less than three hundred thousand
35 (300,000), the designating body is only required to make one (1) of the
36 additional findings described in this subsection or one (1) of the
37 additional findings described in subsection (c).

38 (c) In a county containing a consolidated city or within a city or
39 town, a designating body that wishes to designate a particular area a
40 residentially distressed area may make the following additional
41 findings as an alternative to the additional findings described in
42 subsection (b):

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- 1 (1) A significant number of dwelling units within the area are not
- 2 permanently occupied or a significant number of parcels in the
- 3 area are vacant land.
- 4 (2) A significant number of dwelling units within the area are:
- 5 (A) the subject of an order issued under IC 36-7-9; or
- 6 (B) evidencing significant building deficiencies.
- 7 (3) The area has experienced a net loss in the number of dwelling
- 8 units, as documented by census information, local building and
- 9 demolition permits, or certificates of occupancy, or the area is
- 10 owned by Indiana or the United States.
- 11 (4) The area (plus any areas previously designated under this
- 12 subsection) will not exceed ten percent (10%) of the total area
- 13 within the designating body's jurisdiction.
- 14 However, in a city in a county having a population of more than two
- 15 hundred thousand (200,000) but less than three hundred thousand
- 16 (300,000), the designating body is only required to make one (1) of the
- 17 additional findings described in this subsection as an alternative to one
- 18 (1) of the additional findings described in subsection (b).
- 19 (d) A designating body is required to attach the following conditions
- 20 to the grant of a residentially distressed area designation:
- 21 (1) The deduction will not be allowed unless the dwelling is
- 22 rehabilitated to meet local code standards for habitability.
- 23 (2) If a designation application is filed, the designating body may
- 24 require that the redevelopment or rehabilitation be completed
- 25 within a reasonable period of time.
- 26 (e) To make a designation described in subsection (a) or (b), the
- 27 designating body shall use procedures prescribed in section 2.5 of this
- 28 chapter.
- 29 (f) The property tax deductions provided by section 3, 4.5, or 4.8 of
- 30 this chapter are only available within an area which the designating
- 31 body finds to be an economic revitalization area.
- 32 (g) The designating body may adopt a resolution establishing
- 33 general standards to be used, along with the requirements set forth in
- 34 the definition of economic revitalization area, by the designating body
- 35 in finding an area to be an economic revitalization area. The standards
- 36 must have a reasonable relationship to the development objectives of
- 37 the area in which the designating body has jurisdiction. The following
- 38 ~~four~~ **five (5)** sets of standards may be established:
- 39 (1) One (1) relative to the deduction under section 3 of this
- 40 chapter for economic revitalization areas that are not residentially
- 41 distressed areas.
- 42 (2) One (1) relative to the deduction under section 3 of this

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chapter for residentially distressed areas.

(3) One (1) relative to the deduction allowed under section 4.5 of this chapter.

(4) One (1) relative to the deduction allowed under section 4.8 of this chapter.

(5) One (1) relative to property granted a deduction for an agricultural purpose.

(h) A designating body may impose a fee for filing a designation application for a person requesting the designation of a particular area as an economic revitalization area. The fee may be sufficient to defray actual processing and administrative costs. However, the fee charged for filing a designation application for a parcel that contains one (1) or more owner-occupied, single-family dwellings may not exceed the cost of publishing the required notice.

(i) In declaring an area an economic revitalization area, the designating body may:

- (1) limit the time period to a certain number of calendar years during which the economic revitalization area shall be so designated;
- (2) limit the type of deductions that will be allowed within the economic revitalization area to the deduction allowed under section 3 of this chapter, the deduction allowed under section 4.5 of this chapter, the deduction allowed under section 4.8 of this chapter, or any combination of these deductions;
- (3) limit the dollar amount of the deduction that will be allowed with respect to new manufacturing equipment, **new farm equipment**, new research and development equipment, new logistical distribution equipment, and new information technology equipment if a deduction under this chapter had not been filed before July 1, 1987, for that equipment;
- (4) limit the dollar amount of the deduction that will be allowed with respect to redevelopment and rehabilitation occurring in areas that are designated as economic revitalization areas on or after September 1, 1988;
- (5) limit the dollar amount of the deduction that will be allowed under section 4.8 of this chapter with respect to the occupation of an eligible vacant building; or
- (6) impose reasonable conditions related to the purpose of this chapter or to the general standards adopted under subsection (g) for allowing the deduction for the redevelopment or rehabilitation of the property, **the succession of property**, or the installation of the new manufacturing equipment, **new farm equipment**, new

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1 research and development equipment, new logistical distribution
 2 equipment, or new information technology equipment.
 3 To exercise one (1) or more of these powers, a designating body must
 4 include this fact in the resolution passed under section 2.5 of this
 5 chapter.
 6 (j) Notwithstanding any other provision of this chapter, if a
 7 designating body limits the time period during which an area is an
 8 economic revitalization area, that limitation does not:
 9 (1) prevent a taxpayer from obtaining a deduction for new
 10 manufacturing equipment, **new farm equipment**, new research
 11 and development equipment, new logistical distribution
 12 equipment, or new information technology equipment installed on
 13 or before the approval deadline determined under section 9 of this
 14 chapter, but after the expiration of the economic revitalization
 15 area if:
 16 (A) the economic revitalization area designation expires after
 17 December 30, 1995; and
 18 (B) the new manufacturing equipment, **new farm equipment**,
 19 new research and development equipment, new logistical
 20 distribution equipment, or new information technology
 21 equipment was described in a statement of benefits submitted
 22 to and approved by the designating body in accordance with
 23 section 4.5 of this chapter before the expiration of the
 24 economic revitalization area designation; or
 25 (2) limit the length of time a taxpayer is entitled to receive a
 26 deduction to a number of years that is less than the number of
 27 years designated under section 4, 4.5, or 4.8 of this chapter.
 28 (k) Notwithstanding any other provision of this chapter, deductions:
 29 (1) that are authorized under section 3 of this chapter for property
 30 in an area designated as an urban development area before March
 31 1, 1983, and that are based on an increase in assessed valuation
 32 resulting from redevelopment or rehabilitation that occurs before
 33 March 1, 1983; or
 34 (2) that are authorized under section 4.5 of this chapter for new
 35 manufacturing equipment installed in an area designated as an
 36 urban development area before March 1, 1983;
 37 apply according to the provisions of this chapter as they existed at the
 38 time that an application for the deduction was first made. No deduction
 39 that is based on the location of property or new manufacturing
 40 equipment in an urban development area is authorized under this
 41 chapter after February 28, 1983, unless the initial increase in assessed
 42 value resulting from the redevelopment or rehabilitation of the property

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1 or the installation of the new manufacturing equipment occurred before
2 March 1, 1983.

3 (l) In addition to the other requirements of this chapter, if property
4 located in an economic revitalization area is also located in an
5 allocation area (as defined in IC 36-7-14-39 or IC 36-7-15.1-26), a
6 taxpayer's statement of benefits concerning that property may not be
7 approved under this chapter unless a resolution approving the
8 statement of benefits is adopted by the legislative body of the unit that
9 approved the designation of the allocation area.

10 SECTION 3. IC 6-1.1-12.1-3, AS AMENDED BY P.L.99-2007,
11 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 UPON PASSAGE]: Sec. 3. (a) An applicant must provide a statement
13 of benefits to the designating body. If the designating body requires
14 information from the applicant for economic revitalization area status
15 for use in making its decision about whether to designate an economic
16 revitalization area, the applicant shall provide the completed statement
17 of benefits form to the designating body before the hearing required by
18 section 2.5(c) of this chapter. Otherwise, the statement of benefits form
19 must be submitted to the designating body before the initiation of the
20 redevelopment or rehabilitation for which the person desires to claim
21 a deduction under this chapter **or, if section 11.3(b) of this chapter**
22 **applies, the date of succession determined by the designating body.**
23 The department of local government finance shall prescribe a form for
24 the statement of benefits. The statement of benefits must include the
25 following information:

26 (1) A description of the proposed redevelopment, ~~or~~
27 rehabilitation, **or property subject to a succession. The**
28 **description of property used for an agricultural purpose must**
29 **be described with sufficient detail to afford identification.**

30 (2) An estimate of the number of individuals who will be
31 employed or whose employment will be retained by the person as
32 a result of the redevelopment, or rehabilitation, and an estimate of
33 the annual salaries of these individuals.

34 **(3) With respect to property subject to a succession,**
35 **information demonstrating that the succession will result in**
36 **the continuation of a family farm as a family farm.**

37 ~~(4)~~ **(4)** An estimate of the value of the redevelopment, ~~or~~
38 rehabilitation, **or property subject to a succession.**

39 With the approval of the designating body, the statement of benefits
40 may be incorporated in a designation application. Notwithstanding any
41 other law, a statement of benefits is a public record that may be
42 inspected and copied under IC 5-14-3-3.

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1 (b) The designating body must review the statement of benefits
 2 required under subsection (a). The designating body shall determine
 3 whether an area should be designated an economic revitalization area
 4 or whether a deduction should be allowed, based on (and after it has
 5 made) the following findings:

6 (1) Whether the estimate of the value of the redevelopment, ~~or~~
 7 rehabilitation, **or property subject to a succession** is reasonable
 8 for projects of that nature.

9 (2) Whether the estimate of the number of individuals who will be
 10 employed or whose employment will be retained can be
 11 reasonably expected to result from the proposed described
 12 redevelopment, ~~or~~ rehabilitation, **or succession.**

13 (3) Whether the estimate of the annual salaries of those
 14 individuals who will be employed or whose employment will be
 15 retained can be reasonably expected to result from the proposed
 16 described redevelopment, ~~or~~ rehabilitation, **or succession.**

17 (4) Whether any other benefits about which information was
 18 requested are benefits that can be reasonably expected to result
 19 from the proposed described redevelopment, ~~or~~ rehabilitation, **or**
 20 **succession.**

21 (5) Whether the totality of benefits is sufficient to justify the
 22 deduction.

23 **However, if the deduction is for property subject to a succession,**
 24 **a finding that the continuation of the family farm is reasonably**
 25 **likely to result from the succession may be substituted for findings**
 26 **under subdivisions (2) and (3).** A designating body may not designate
 27 an area an economic revitalization area or approve a deduction unless
 28 the findings required by this subsection are made in the affirmative.

29 (c) Except as provided in subsections (a) through (b), the owner of
 30 property which is located in an economic revitalization area is entitled
 31 to a deduction from the assessed value of the property. If the area is a
 32 residentially distressed area, the period is not more than five (5) years.
 33 For all other economic revitalization areas designated before July 1,
 34 2000, the period is three (3), six (6), or ten (10) years. For all economic
 35 revitalization areas designated after June 30, 2000, the period is the
 36 number of years determined under subsection (d). The owner is entitled
 37 to a deduction if:

38 (1) the property has been rehabilitated; ~~or~~

39 (2) the property is located on real estate which has been
 40 redeveloped; **or**

41 **(3) a succession in the operation or control of a family farm**
 42 **has occurred and the property is operated as a family farm.**

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1 **The assessed value of land used for an agricultural purpose (after**
 2 **subtraction of the assessed value of any buildings or structure on**
 3 **the land) is not eligible for a deduction under this chapter.** The
 4 owner is entitled to the deduction for the first year, and any successive
 5 year or years, in which an increase in assessed value resulting from the
 6 rehabilitation or redevelopment occurs **(or if section 11.3(b) of this**
 7 **chapter applies, the year in which the date of succession**
 8 **determined by the designating body occurs)** and for the following
 9 years determined under subsection (d). However, property owners who
 10 had an area designated an urban development area pursuant to an
 11 application filed prior to January 1, 1979, are only entitled to a
 12 deduction for a five (5) year period. In addition, property owners who
 13 are entitled to a deduction under this chapter pursuant to an application
 14 filed after December 31, 1978, and before January 1, 1986, are entitled
 15 to a deduction for a ten (10) year period.

16 (d) For an area designated as an economic revitalization area after
 17 June 30, 2000, that is not a residentially distressed area, the designating
 18 body shall determine the number of years for which the property owner
 19 is entitled to a deduction. However, the deduction may not be allowed
 20 for more than ten (10) years. This determination shall be made:

- 21 (1) as part of the resolution adopted under section 2.5 of this
- 22 chapter; or
- 23 (2) by resolution adopted within sixty (60) days after receiving a
- 24 copy of a property owner's certified deduction application from
- 25 the county auditor. A certified copy of the resolution shall be sent
- 26 to the county auditor who shall make the deduction as provided
- 27 in section 5 of this chapter.

28 A determination about the number of years the deduction is allowed
 29 that is made under subdivision (1) is final and may not be changed by
 30 following the procedure under subdivision (2).

31 (e) Except for deductions related to redevelopment or rehabilitation
 32 of real property in a county containing a consolidated city or a
 33 deduction related to redevelopment or rehabilitation of real property
 34 initiated before December 31, 1987, in areas designated as economic
 35 revitalization areas before that date, a deduction for the redevelopment
 36 or rehabilitation of real property may not be approved for the following
 37 facilities:

- 38 (1) Private or commercial golf course.
- 39 (2) Country club.
- 40 (3) Massage parlor.
- 41 (4) Tennis club.
- 42 (5) Skating facility (including roller skating, skateboarding, or ice

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- 1 skating).
- 2 (6) Racquet sport facility (including any handball or racquetball
- 3 court).
- 4 (7) Hot tub facility.
- 5 (8) Suntan facility.
- 6 (9) Racetrack.
- 7 (10) Any facility the primary purpose of which is:
- 8 (A) retail food and beverage service;
- 9 (B) automobile sales or service; or
- 10 (C) other retail;
- 11 unless the facility is located in an economic development target
- 12 area established under section 7 of this chapter.
- 13 (11) Residential, unless:
- 14 (A) the facility is a multifamily facility that contains at least
- 15 twenty percent (20%) of the units available for use by low and
- 16 moderate income individuals;
- 17 (B) the facility is located in an economic development target
- 18 area established under section 7 of this chapter; or
- 19 (C) the area is designated as a residentially distressed area.
- 20 (12) A package liquor store that holds a liquor dealer's permit
- 21 under IC 7.1-3-10 or any other entity that is required to operate
- 22 under a license issued under IC 7.1. This subdivision does not
- 23 apply to an applicant that:
- 24 (A) was eligible for tax abatement under this chapter before
- 25 July 1, 1995;
- 26 (B) is described in IC 7.1-5-7-11; or
- 27 (C) operates a facility under:
- 28 (i) a beer wholesaler's permit under IC 7.1-3-3;
- 29 (ii) a liquor wholesaler's permit under IC 7.1-3-8; or
- 30 (iii) a wine wholesaler's permit under IC 7.1-3-13;
- 31 for which the applicant claims a deduction under this chapter.
- 32 (f) This subsection applies only to a county having a population of
- 33 more than two hundred thousand (200,000) but less than three hundred
- 34 thousand (300,000). Notwithstanding subsection (e)(11); in a county
- 35 subject to this subsection a designating body may, before September 1,
- 36 2000; approve a deduction under this chapter for the redevelopment or
- 37 rehabilitation of real property consisting of residential facilities that are
- 38 located in unincorporated areas of the county if the designating body
- 39 makes a finding that the facilities are needed to serve any combination
- 40 of the following:
- 41 (†) Elderly persons who are predominately low-income or
- 42 moderate-income persons.

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(2) ~~Persons with a disability.~~
A designating body may adopt an ordinance approving a deduction under this subsection only one (1) time. This subsection expires January 1, 2011.

SECTION 4. IC 6-1.1-12.1-4.5, AS AMENDED BY P.L.146-2008, SECTION 122, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.5. (a) An applicant must provide a statement of benefits to the designating body. The applicant must provide the completed statement of benefits form to the designating body before the hearing specified in section 2.5(c) of this chapter or before the installation of the new manufacturing equipment, **new farm equipment**, new research and development equipment, new logistical distribution equipment, or new information technology equipment for which the person desires to claim a deduction under this chapter **or, if section 11.3(b) of this chapter applies, the date of succession determined by the designating body.** The department of local government finance shall prescribe a form for the statement of benefits. The statement of benefits must include the following information:

(1) A description of the new manufacturing equipment, **new farm equipment**, new research and development equipment, new logistical distribution equipment, or new information technology equipment that the person proposes to acquire. **A statement of benefits for new farm equipment must describe each piece of new farm equipment with sufficient detail to afford identification.**

(2) With respect to:

(A) new manufacturing equipment **or new farm equipment** not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products; and

(B) new research and development equipment, new logistical distribution equipment, or new information technology equipment;

an estimate of the number of individuals who will be employed or whose employment will be retained by the person as a result of the installation of the new manufacturing equipment, **new farm equipment**, new research and development equipment, new logistical distribution equipment, or new information technology equipment and an estimate of the annual salaries of these individuals **or, if the personal property qualifies as new farm equipment as the result of a succession, information**

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1 **demonstrating that the succession will result in the**
 2 **continuation of a family farm as a family farm.**
 3 (3) An estimate of the cost of the new manufacturing equipment,
 4 **new farm equipment**, new research and development equipment,
 5 new logistical distribution equipment, or new information
 6 technology equipment.
 7 (4) With respect to new manufacturing equipment **or new farm**
 8 **equipment** used to dispose of solid waste or hazardous waste by
 9 converting the solid waste or hazardous waste into energy or other
 10 useful products, an estimate of the amount of solid waste or
 11 hazardous waste that will be converted into energy or other useful
 12 products by the new manufacturing equipment **or new farm**
 13 **equipment.**
 14 The statement of benefits may be incorporated in a designation
 15 application. Notwithstanding any other law, a statement of benefits is
 16 a public record that may be inspected and copied under IC 5-14-3-3.
 17 (b) The designating body must review the statement of benefits
 18 required under subsection (a). The designating body shall determine
 19 whether an area should be designated an economic revitalization area
 20 or whether the deduction shall be allowed, based on (and after it has
 21 made) the following findings:
 22 (1) Whether the estimate of the cost of the new manufacturing
 23 equipment, **new farm equipment**, new research and development
 24 equipment, new logistical distribution equipment, or new
 25 information technology equipment is reasonable for equipment of
 26 that type.
 27 (2) With respect to:
 28 (A) new manufacturing equipment **or new farm equipment**
 29 not used to dispose of solid waste or hazardous waste by
 30 converting the solid waste or hazardous waste into energy or
 31 other useful products; and
 32 (B) new research and development equipment, new logistical
 33 distribution equipment, or new information technology
 34 equipment;
 35 whether the estimate of the number of individuals who will be
 36 employed or whose employment will be retained can be
 37 reasonably expected to result from the installation of the new
 38 manufacturing equipment, **new farm equipment**, new research
 39 and development equipment, new logistical distribution
 40 equipment, or new information technology equipment.
 41 (3) Whether the estimate of the annual salaries of those
 42 individuals who will be employed or whose employment will be

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1 retained can be reasonably expected to result from the proposed
 2 installation of new manufacturing equipment, **new farm**
 3 **equipment**, new research and development equipment, new
 4 logistical distribution equipment, or new information technology
 5 equipment.

6 (4) With respect to new manufacturing equipment **or new farm**
 7 **equipment** used to dispose of solid waste or hazardous waste by
 8 converting the solid waste or hazardous waste into energy or other
 9 useful products, whether the estimate of the amount of solid waste
 10 or hazardous waste that will be converted into energy or other
 11 useful products can be reasonably expected to result from the
 12 installation of the new manufacturing equipment **or new farm**
 13 **equipment**.

14 (5) Whether any other benefits about which information was
 15 requested are benefits that can be reasonably expected to result
 16 from the proposed installation of new manufacturing equipment,
 17 **new farm equipment**, new research and development equipment,
 18 new logistical distribution equipment, or new information
 19 technology equipment.

20 (6) Whether the totality of benefits is sufficient to justify the
 21 deduction.

22 **However, if the personal property qualifies as new farm equipment**
 23 **as the result of a succession, a finding that continuation of the**
 24 **family farm is reasonably likely to result from the succession may**
 25 **be substituted for findings under subdivisions (2), (3), and (4).** The
 26 designating body may not designate an area an economic revitalization
 27 area or approve the deduction unless it makes the findings required by
 28 this subsection in the affirmative.

29 (c) Except as provided in subsection (g), and subject to subsection
 30 (h) and section 15 of this chapter, an owner of new manufacturing
 31 equipment, **new farm equipment**, new research and development
 32 equipment, new logistical distribution equipment, or new information
 33 technology equipment whose statement of benefits is approved after
 34 June 30, 2000, is entitled to a deduction from the assessed value of that
 35 equipment for the number of years determined by the designating body
 36 under subsection (f). Except as provided in subsection (e) and in
 37 section 2(i)(3) of this chapter, and subject to subsection (h) and section
 38 15 of this chapter, the amount of the deduction that an owner is entitled
 39 to for a particular year equals the product of:

40 (1) the assessed value of the new manufacturing equipment, **new**
 41 **farm equipment**, new research and development equipment, new
 42 logistical distribution equipment, or new information technology

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1 equipment in the year of deduction under the appropriate table set
 2 forth in subsection (d); multiplied by
 3 (2) the percentage prescribed in the appropriate table set forth in
 4 subsection (d).

5 (d) The percentage to be used in calculating the deduction under
 6 subsection (c) is as follows:

- 7 (1) For deductions allowed over a one (1) year period:
- | 8 YEAR OF DEDUCTION | PERCENTAGE |
|-----------------------|------------|
| 9 1st | 100% |
| 10 2nd and thereafter | 0% |
- 11 (2) For deductions allowed over a two (2) year period:
- | 12 YEAR OF DEDUCTION | PERCENTAGE |
|-----------------------|------------|
| 13 1st | 100% |
| 14 2nd | 50% |
| 15 3rd and thereafter | 0% |
- 16 (3) For deductions allowed over a three (3) year period:
- | 17 YEAR OF DEDUCTION | PERCENTAGE |
|-----------------------|------------|
| 18 1st | 100% |
| 19 2nd | 66% |
| 20 3rd | 33% |
| 21 4th and thereafter | 0% |
- 22 (4) For deductions allowed over a four (4) year period:
- | 23 YEAR OF DEDUCTION | PERCENTAGE |
|-----------------------|------------|
| 24 1st | 100% |
| 25 2nd | 75% |
| 26 3rd | 50% |
| 27 4th | 25% |
| 28 5th and thereafter | 0% |
- 29 (5) For deductions allowed over a five (5) year period:
- | 30 YEAR OF DEDUCTION | PERCENTAGE |
|-----------------------|------------|
| 31 1st | 100% |
| 32 2nd | 80% |
| 33 3rd | 60% |
| 34 4th | 40% |
| 35 5th | 20% |
| 36 6th and thereafter | 0% |
- 37 (6) For deductions allowed over a six (6) year period:
- | 38 YEAR OF DEDUCTION | PERCENTAGE |
|----------------------|------------|
| 39 1st | 100% |
| 40 2nd | 85% |
| 41 3rd | 66% |
| 42 4th | 50% |

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1	5th	34%
2	6th	25%
3	7th and thereafter	0%
4	(7) For deductions allowed over a seven (7) year period:	
5	YEAR OF DEDUCTION	PERCENTAGE
6	1st	100%
7	2nd	85%
8	3rd	71%
9	4th	57%
10	5th	43%
11	6th	29%
12	7th	14%
13	8th and thereafter	0%
14	(8) For deductions allowed over an eight (8) year period:	
15	YEAR OF DEDUCTION	PERCENTAGE
16	1st	100%
17	2nd	88%
18	3rd	75%
19	4th	63%
20	5th	50%
21	6th	38%
22	7th	25%
23	8th	13%
24	9th and thereafter	0%
25	(9) For deductions allowed over a nine (9) year period:	
26	YEAR OF DEDUCTION	PERCENTAGE
27	1st	100%
28	2nd	88%
29	3rd	77%
30	4th	66%
31	5th	55%
32	6th	44%
33	7th	33%
34	8th	22%
35	9th	11%
36	10th and thereafter	0%
37	(10) For deductions allowed over a ten (10) year period:	
38	YEAR OF DEDUCTION	PERCENTAGE
39	1st	100%
40	2nd	90%
41	3rd	80%
42	4th	70%

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1	5th	60%
2	6th	50%
3	7th	40%
4	8th	30%
5	9th	20%
6	10th	10%
7	11th and thereafter	0%

8 (e) With respect to new manufacturing equipment and new research
 9 and development equipment installed before March 2, 2001, the
 10 deduction under this section is the amount that causes the net assessed
 11 value of the property after the application of the deduction under this
 12 section to equal the net assessed value after the application of the
 13 deduction under this section that results from computing:

- 14 (1) the deduction under this section as in effect on March 1, 2001;
- 15 and
- 16 (2) the assessed value of the property under 50 IAC 4.2, as in
 17 effect on March 1, 2001, or, in the case of property subject to
 18 IC 6-1.1-8, 50 IAC 5.1, as in effect on March 1, 2001.

19 (f) For an economic revitalization area designated before July 1,
 20 2000, the designating body shall determine whether a property owner
 21 whose statement of benefits is approved after April 30, 1991, is entitled
 22 to a deduction for five (5) or ten (10) years. For an economic
 23 revitalization area designated after June 30, 2000, the designating body
 24 shall determine the number of years the deduction is allowed. However,
 25 the deduction may not be allowed for more than **five (5) years for new**
 26 **farm equipment and** ten (10) years **for other property**. This
 27 determination shall be made:

- 28 (1) as part of the resolution adopted under section 2.5 of this
 29 chapter; or
- 30 (2) by resolution adopted within sixty (60) days after receiving a
 31 copy of a property owner's certified deduction application from
 32 the county auditor. A certified copy of the resolution shall be sent
 33 to the county auditor.

34 A determination about the number of years the deduction is allowed
 35 that is made under subdivision (1) is final and may not be changed by
 36 following the procedure under subdivision (2).

37 (g) The owner of new manufacturing equipment **or new farm**
 38 **equipment** that is directly used to dispose of hazardous waste is not
 39 entitled to the deduction provided by this section for a particular
 40 assessment year if during that assessment year the owner:

- 41 (1) is convicted of a criminal violation under IC 13, including
 42 IC 13-7-13-3 (repealed) or IC 13-7-13-4 (repealed); or

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1 (2) is subject to an order or a consent decree with respect to
 2 property located in Indiana based on a violation of a federal or
 3 state rule, regulation, or statute governing the treatment, storage,
 4 or disposal of hazardous wastes that had a major or moderate
 5 potential for harm.

6 (h) For purposes of subsection (c), the assessed value of new
 7 manufacturing equipment, **new farm equipment**, new research and
 8 development equipment, new logistical distribution equipment, or new
 9 information technology equipment that is part of an owner's assessable
 10 depreciable personal property in a single taxing district subject to the
 11 valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 is the product
 12 of:

13 (1) the assessed value of the equipment determined without
 14 regard to the valuation limitation in 50 IAC 4.2-4-9 or 50
 15 IAC 5.1-6-9; multiplied by

16 (2) the quotient of:

17 (A) the amount of the valuation limitation determined under
 18 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 for all of the owner's
 19 depreciable personal property in the taxing district; divided by

20 (B) the total true tax value of all of the owner's depreciable
 21 personal property in the taxing district that is subject to the
 22 valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9
 23 determined:

24 (i) under the depreciation schedules in the rules of the
 25 department of local government finance before any
 26 adjustment for abnormal obsolescence; and

27 (ii) without regard to the valuation limitation in 50
 28 IAC 4.2-4-9 or 50 IAC 5.1-6-9.

29 SECTION 5. IC 6-1.1-12.1-5, AS AMENDED BY P.L.146-2008,
 30 SECTION 124, IS AMENDED TO READ AS FOLLOWS
 31 [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) A property owner who
 32 desires to obtain the deduction provided by section 3 of this chapter
 33 must file a certified deduction application, on forms prescribed by the
 34 department of local government finance, with the auditor of the county
 35 in which the property is located. Except as otherwise provided in
 36 subsection (b) or (e), the deduction application must be filed before
 37 May 10 of the year in which the addition to assessed valuation is made
 38 **or, if section 11.3(b) of this chapter applies, the year in which the**
 39 **date of succession determined by the designating body occurs.**

40 (b) If notice of the addition to assessed valuation or new assessment
 41 for any year is not given to the property owner before April 10 of that
 42 year, the deduction application required by this section may be filed not

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1 later than thirty (30) days after the date such a notice is mailed to the
 2 property owner at the address shown on the records of the township or
 3 county assessor. **If section 11.3(b) of this chapter applies and the**
 4 **property owner has not received notice of the date of succession**
 5 **before April 10 in a year, the deduction application required by**
 6 **this section may be filed not later than thirty (30) days after notice**
 7 **of the succession date is received by the property owner.**

8 (c) The deduction application required by this section must contain
 9 the following information:

10 (1) The name of the property owner.

11 (2) A description of the property for which a deduction is claimed
 12 in sufficient detail to afford identification.

13 (3) **If the deduction is for rehabilitation**, the assessed value of
 14 the improvements before rehabilitation.

15 (4) **If the deduction is for rehabilitation**, the increase in the
 16 assessed value of improvements resulting from the rehabilitation.

17 (5) The assessed value of the new structure in the case of
 18 redevelopment.

19 **(6) The assessed value of the structure subject to the**
 20 **deduction in the case of a deduction granted for a succession**
 21 **in ownership or control of a family farm.**

22 ~~(6)~~ (7) The amount of the deduction claimed for the first year of
 23 the deduction.

24 ~~(7)~~ (8) If the deduction application is for a deduction in a
 25 residentially distressed area, the assessed value of the
 26 improvement or new structure for which the deduction is claimed.

27 (d) A deduction application filed under subsection (a) or (b) is
 28 applicable for the year in which the addition to assessed value or
 29 assessment of a new structure is made **(or, if section 11.3(b) of this**
 30 **chapter applies, the year in which the date of succession**
 31 **determined by the designating body occurs)** and in the following
 32 years the deduction is allowed without any additional deduction
 33 application being filed. However, property owners who had an area
 34 designated an urban development area pursuant to a deduction
 35 application filed prior to January 1, 1979, are only entitled to a
 36 deduction for a five (5) year period. In addition, property owners who
 37 are entitled to a deduction under this chapter pursuant to a deduction
 38 application filed after December 31, 1978, and before January 1, 1986,
 39 are entitled to a deduction for a ten (10) year period.

40 (e) A property owner who desires to obtain the deduction provided
 41 by section 3 of this chapter but who has failed to file a deduction
 42 application within the dates prescribed in subsection (a) or (b) may file

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1 a deduction application between March 1 and May 10 of a subsequent
2 year which shall be applicable for the year filed and the subsequent
3 years without any additional deduction application being filed for the
4 amounts of the deduction which would be applicable to such years
5 pursuant to section 4 of this chapter if such a deduction application had
6 been filed in accordance with subsection (a) or (b).

7 (f) Subject to subsection (i), the county auditor shall act as follows:
8 (1) If a determination about the number of years the deduction is
9 allowed has been made in the resolution adopted under section
10 2.5 of this chapter, the county auditor shall make the appropriate
11 deduction.

12 (2) If a determination about the number of years the deduction is
13 allowed has not been made in the resolution adopted under
14 section 2.5 of this chapter, the county auditor shall send a copy of
15 the deduction application to the designating body. Upon receipt
16 of the resolution stating the number of years the deduction will be
17 allowed, the county auditor shall make the appropriate deduction.

18 (3) If the deduction application is for rehabilitation or
19 redevelopment in a residentially distressed area, the county
20 auditor shall make the appropriate deduction.

21 (g) **This section does not apply to property granted a deduction**
22 **for an agricultural purpose.** The amount and period of the deduction
23 provided for property by section 3 of this chapter are not affected by a
24 change in the ownership of the property if the new owner of the
25 property:

- 26 (1) continues to use the property in compliance with any
27 standards established under section 2(g) of this chapter; and
28 (2) files an application in the manner provided by subsection (e).

29 (h) The township or county assessor shall include a notice of the
30 deadlines for filing a deduction application under subsections (a) and
31 (b) with each notice to a property owner of an addition to assessed
32 value or of a new assessment.

33 (i) Before the county auditor acts under subsection (f), the county
34 auditor may request that the township assessor of the township in
35 which the property is located, or the county assessor if there is no
36 township assessor for the township, review the deduction application.

37 (j) A property owner may appeal a determination of the county
38 auditor under subsection (f) to deny or alter the amount of the
39 deduction by requesting in writing a preliminary conference with the
40 county auditor not more than forty-five (45) days after the county
41 auditor gives the person notice of the determination. An appeal
42 initiated under this subsection is processed and determined in the same

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1 manner that an appeal is processed and determined under IC 6-1.1-15.

2 SECTION 6. IC 6-1.1-12.1-5.4, AS AMENDED BY P.L.146-2008,
3 SECTION 126, IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE UPON PASSAGE]: Sec. 5.4. (a) A person that desires
5 to obtain the deduction provided by section 4.5 of this chapter must file
6 a certified deduction schedule with the person's personal property
7 return on a form prescribed by the department of local government
8 finance with the township assessor of the township in which the new
9 manufacturing equipment, **new farm equipment**, new research and
10 development equipment, new logistical distribution equipment, or new
11 information technology equipment is located, or with the county
12 assessor if there is no township assessor for the township. Except as
13 provided in subsection (e), the deduction is applied in the amount
14 claimed in a certified schedule that a person files with:

- 15 (1) a timely personal property return under IC 6-1.1-3-7(a) or
16 IC 6-1.1-3-7(b); or
17 (2) a timely amended personal property return under
18 IC 6-1.1-3-7.5.

19 The township or county assessor shall forward to the county auditor a
20 copy of each certified deduction schedule filed under this subsection.
21 The township assessor shall forward to the county assessor a copy of
22 each certified deduction schedule filed with the township assessor
23 under this subsection.

24 (b) The deduction schedule required by this section must contain the
25 following information:

- 26 (1) The name of the owner of the new manufacturing equipment,
27 **new farm equipment**, new research and development equipment,
28 new logistical distribution equipment, or new information
29 technology equipment.
30 (2) A description of the new manufacturing equipment, **new farm**
31 **equipment**, new research and development equipment, new
32 logistical distribution equipment, or new information technology
33 equipment.
34 (3) The amount of the deduction claimed for the first year of the
35 deduction.

36 (c) This subsection applies to a deduction schedule with respect to
37 new manufacturing equipment, **new farm equipment**, new research
38 and development equipment, new logistical distribution equipment, or
39 new information technology equipment for which a statement of
40 benefits was initially approved after April 30, 1991. If a determination
41 about the number of years the deduction is allowed has not been made
42 in the resolution adopted under section 2.5 of this chapter, the county

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1 auditor shall send a copy of the deduction schedule to the designating
2 body, and the designating body shall adopt a resolution under section
3 4.5(f)(2) of this chapter.

4 (d) A deduction schedule must be filed under this section in the year
5 in which the new manufacturing equipment, **new farm equipment**,
6 new research and development equipment, new logistical distribution
7 equipment, or new information technology equipment is installed (**or,**
8 **if section 11.3(b) of this chapter applies, in the year in which the**
9 **date of succession determined by the designating body occurs**) and
10 in each of the immediately succeeding years the deduction is allowed.

11 (e) The township assessor, or the county assessor if there is no
12 township assessor for the township, may:

13 (1) review the deduction schedule; and

14 (2) before the March 1 that next succeeds the assessment date for
15 which the deduction is claimed, deny or alter the amount of the
16 deduction.

17 If the township or county assessor does not deny the deduction, the
18 county auditor shall apply the deduction in the amount claimed in the
19 deduction schedule or in the amount as altered by the township or
20 county assessor. A township or county assessor who denies a deduction
21 under this subsection or alters the amount of the deduction shall notify
22 the person that claimed the deduction and the county auditor of the
23 assessor's action. The county auditor shall notify the designating body
24 and the county property tax assessment board of appeals of all
25 deductions applied under this section.

26 (f) **This subsection does not apply to new farm equipment.** If the
27 ownership of new manufacturing equipment, new research and
28 development equipment, new logistical distribution equipment, or new
29 information technology equipment changes, the deduction provided
30 under section 4.5 of this chapter continues to apply to that equipment
31 if the new owner:

32 (1) continues to use the equipment in compliance with any
33 standards established under section 2(g) of this chapter; and

34 (2) files the deduction schedules required by this section.

35 (g) The amount of the deduction is the percentage under section 4.5
36 of this chapter that would have applied if the ownership of the property
37 had not changed multiplied by the assessed value of the equipment for
38 the year the deduction is claimed by the new owner.

39 (h) A person may appeal a determination of the township or county
40 assessor under subsection (e) to deny or alter the amount of the
41 deduction by requesting in writing a preliminary conference with the
42 township or county assessor not more than forty-five (45) days after the

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1 township or county assessor gives the person notice of the
 2 determination. Except as provided in subsection (i), an appeal initiated
 3 under this subsection is processed and determined in the same manner
 4 that an appeal is processed and determined under IC 6-1.1-15.

5 (i) The county assessor is recused from any action the county
 6 property tax assessment board of appeals takes with respect to an
 7 appeal under subsection (h) of a determination by the county assessor.

8 SECTION 7. IC 6-1.1-12.1-5.6, AS AMENDED BY P.L.1-2006,
 9 SECTION 134, IS AMENDED TO READ AS FOLLOWS
 10 [EFFECTIVE UPON PASSAGE]: Sec. 5.6. (a) This subsection applies
 11 to a property owner whose statement of benefits was approved under
 12 section 4.5 of this chapter before July 1, 1991. In addition to the
 13 requirements of section 5.4(b) of this chapter, a deduction schedule
 14 filed under section 5.4 of this chapter must contain information
 15 showing the extent to which there has been compliance with the
 16 statement of benefits approved under section 4.5 of this chapter.
 17 Failure to comply with a statement of benefits approved before July 1,
 18 1991, may not be a basis for rejecting a deduction schedule.

19 (b) This subsection applies to a property owner whose statement of
 20 benefits was approved under section 4.5 of this chapter after June 30,
 21 1991. In addition to the requirements of section 5.4(b) of this chapter,
 22 a property owner who files a deduction schedule under section 5.4 of
 23 this chapter must provide the county auditor and the designating body
 24 with information showing the extent to which there has been
 25 compliance with the statement of benefits approved under section 4.5
 26 of this chapter.

27 (c) Notwithstanding IC 5-14-3 and IC 6-1.1-35-9, the following
 28 information is a public record if filed under this section:

- 29 (1) The name and address of the taxpayer.
 30 (2) The location and description of the new manufacturing
 31 equipment, **new farm equipment**, new research and development
 32 equipment, new logistical distribution equipment, or new
 33 information technology equipment for which the deduction was
 34 granted.
 35 (3) Any information concerning the number of employees at the
 36 facility where the new manufacturing equipment, **new farm**
 37 **equipment**, new research and development equipment, new
 38 logistical distribution equipment, or new information technology
 39 equipment is located, including estimated totals that were
 40 provided as part of the statement of benefits.
 41 (4) Any information concerning the total of the salaries paid to
 42 those employees, including estimated totals that were provided as

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part of the statement of benefits.

(5) Any information concerning the amount of solid waste or hazardous waste converted into energy or other useful products by the new manufacturing equipment **or new farm equipment**.

(6) Any information concerning the assessed value of the new manufacturing equipment, **new farm equipment**, new research and development equipment, new logistical distribution equipment, or new information technology equipment including estimates that were provided as part of the statement of benefits.

(d) The following information is confidential if filed under this section:

(1) Any information concerning the specific salaries paid to individual employees by the owner of the new manufacturing equipment, **new farm equipment**, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(2) Any information concerning the cost of the new manufacturing equipment, **new farm equipment**, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

SECTION 8. IC 6-1.1-12.1-5.8, AS AMENDED BY P.L.146-2008, SECTION 127, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.8. In lieu of providing the statement of benefits required by section 3 or 4.5 of this chapter and the additional information required by section 5.1 or 5.6 of this chapter, the designating body may, by resolution, waive the statement of benefits if the designating body finds that the purposes of this chapter are served by allowing the deduction and the property owner has, during the thirty-six (36) months preceding the first assessment date to which the waiver would apply, installed new manufacturing equipment, **new farm equipment**, new research and development equipment, new logistical distribution equipment, or new information technology equipment or developed or rehabilitated property at a cost of at least ten million dollars (\$10,000,000) as determined by the assessor of the township in which the property is located, or by the county assessor if there is no township assessor for the township.

SECTION 9. IC 6-1.1-12.1-8, AS AMENDED BY P.L.154-2006, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) Not later than December 31 of each year, the county auditor shall publish the following in a newspaper of general interest and readership and not one of limited subject matter:

(1) A list of the deduction applications that were filed under this

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1 chapter during that year that resulted in deductions being applied
 2 under this chapter for that year. The list must contain the
 3 following:

4 (A) The name and address of each person approved for or
 5 receiving a deduction that was filed for during the year.

6 (B) The amount of each deduction that was filed for during the
 7 year.

8 (C) The number of years for which each deduction that was
 9 filed for during the year will be available.

10 (D) The total amount for all deductions that were filed for and
 11 applied during the year.

12 (2) The total amount of all deductions for real property that were
 13 in effect under section 3 of this chapter during the year.

14 (3) The total amount of all deductions for new manufacturing
 15 equipment, **new farm equipment**, new research and development
 16 equipment, new logistical distribution equipment, or new
 17 information technology equipment that were in effect under
 18 section 4.5 of this chapter during the year.

19 (4) The total amount of all deductions for eligible vacant
 20 buildings that were in effect under section 4.8 of this chapter
 21 during the year.

22 (b) The county auditor shall file the information described in
 23 subsection (a)(2), (a)(3), and (a)(4) with the department of local
 24 government finance not later than December 31 of each year.

25 SECTION 10. IC 6-1.1-12.1-11.3, AS AMENDED BY
 26 P.L.154-2006, SECTION 34, IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11.3. (a) This
 28 section applies only to the following requirements:

29 (1) Failure to provide the completed statement of benefits form to
 30 the designating body before the hearing required by section 2.5(c)
 31 of this chapter.

32 (2) Failure to submit the completed statement of benefits form to
 33 the designating body before the:

34 (A) initiation of the redevelopment or rehabilitation;

35 (B) installation of new manufacturing equipment, **new farm**
 36 **equipment**, new research and development equipment, new
 37 logistical distribution equipment, or new information
 38 technology equipment; or

39 (C) occupation of an eligible vacant building;

40 for which the person desires to claim a deduction under this
 41 chapter.

42 (3) Failure to designate an area as an economic revitalization area

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1 before the initiation of the:

2 (A) redevelopment;

3 (B) installation of new manufacturing equipment, **new farm**

4 **equipment**, new research and development equipment, new

5 logistical distribution equipment, or new information

6 technology equipment;

7 (C) rehabilitation; or

8 (D) occupation of an eligible vacant building;

9 for which the person desires to claim a deduction under this

10 chapter.

11 (4) Failure to make the required findings of fact before

12 designating an area as an economic revitalization area or

13 authorizing a deduction for new manufacturing equipment, **new**

14 **farm equipment**, new research and development equipment, new

15 logistical distribution equipment, or new information technology

16 equipment under section 2, 3, 4.5, or 4.8 of this chapter.

17 (5) Failure to file a:

18 (A) timely; or

19 (B) complete;

20 deduction application under section 5, 5.3, or 5.4 of this chapter.

21 (b) This section does not grant a designating body the authority to

22 exempt a person from filing a statement of benefits or exempt a

23 designating body from making findings of fact.

24 (c) A designating body may by resolution waive noncompliance

25 described under subsection (a) under the terms and conditions specified

26 in the resolution. Before adopting a waiver under this subsection, the

27 designating body shall conduct a public hearing on the waiver.

28 SECTION 11. IC 6-1.1-12.1-11.3, AS AMENDED BY

29 P.L.154-2006, SECTION 34, IS AMENDED TO READ AS

30 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11.3. (a) This

31 section applies only to the following requirements:

32 (1) Failure to provide the completed statement of benefits form to

33 the designating body before the hearing required by section 2.5(c)

34 of this chapter.

35 (2) Failure to submit the completed statement of benefits form to

36 the designating body before the:

37 (A) initiation of the redevelopment or rehabilitation;

38 (B) installation of new manufacturing equipment, new

39 research and development equipment, new logistical

40 distribution equipment, **new farm equipment**, or new

41 information technology equipment; or

42 (C) occupation of an eligible vacant building;

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- 1 for which the person desires to claim a deduction under this
 2 chapter.
- 3 (3) Failure to designate an area as an economic revitalization area
 4 before the initiation of the:
- 5 (A) redevelopment;
 6 (B) installation of new manufacturing equipment, new
 7 research and development equipment, new logistical
 8 distribution equipment, or new information technology
 9 equipment;
 10 (C) rehabilitation; or
 11 (D) occupation of an eligible vacant building;
- 12 for which the person desires to claim a deduction under this
 13 chapter.
- 14 (4) Failure to make the required findings of fact before
 15 designating an area as an economic revitalization area or
 16 authorizing a deduction for new manufacturing equipment, new
 17 research and development equipment, new logistical distribution
 18 equipment, or new information technology equipment under
 19 section 2, 3, 4.5, or 4.8 of this chapter.
- 20 (5) Failure to file a:
- 21 (A) timely; or
 22 (B) complete;
 23 deduction application under section 5, 5.3, or 5.4 of this chapter.
- 24 **(b) A designating body may:**
- 25 **(1) treat existing buildings and structures that are the subject**
 26 **of a succession in the operation or control of a family farm**
 27 **and are predominately used for an agricultural purpose on**
 28 **the family farm the same as the rehabilitation or**
 29 **redevelopment of property; and**
- 30 **(2) treat existing tangible personal property that is the subject**
 31 **of a succession in the operation or control of a family farm**
 32 **and is predominately used for an agricultural purpose on the**
 33 **family farm the same as new farm equipment;**
- 34 **if the designating body determines that the waiver of the**
 35 **requirements of rehabilitation, redevelopment, or installation will**
 36 **promote continuation of a family farm as a family farm after the**
 37 **succession. For the purposes of determining the first year in which**
 38 **a deduction applies to property subject to a succession, the**
 39 **designating body shall set a succession date that in not more than**
 40 **one hundred eight (180) days after the date that the operator of the**
 41 **family farm or majority ownership in the family farm changes. The**
 42 **succession date must be included in the resolution granting a**

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1 **deduction under this chapter.**
2 ~~(b)~~ **(c)** This section does not grant a designating body the authority
3 to exempt a person from filing a statement of benefits or exempt a
4 designating body from making findings of fact.
5 ~~(c)~~ **(d)** A designating body may by resolution waive noncompliance
6 described under subsection (a) **or (b)** under the terms and conditions
7 specified in the resolution. Before adopting a waiver under this
8 subsection, the designating body shall conduct a public hearing on the
9 waiver.
10 **SECTION 12. An emergency is declared for this act.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture and Rural Development, to which was referred House Bill 1455, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

LEHE, Chair

Committee Vote: yeas 11, nays 0.

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