

CONFERENCE COMMITTEE REPORT DIGEST FOR EHB 1007

Citations Affected: IC 6-1.1; IC 6-3.5-9; IC 21-34-10-7; IC 36-8-16.5-51.

Synopsis: State and local administration. Extends the period of time in which a county, city, or town may provide a tax exemption for enterprise information technology equipment until January 1, 2017. (Current law permits the exemptions until January 1, 2013.) 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. Specifies that the exemption applies only if the property is owned by a fraternity or sorority (or a national or international headquarters, foundation, or housing corporation related to a fraternity or sorority) that is exempt from federal income taxation under Section 501(c)(2), Section 501(c)(3), or Section 501(c)(7) of the Internal Revenue Code. Deletes from current law the requirement that property may qualify for the exemption only if the property is used exclusively by the fraternity or sorority to carry out its purposes. Provides a property tax exemption for certain property leased to the bureau of motor vehicles or bureau of motor vehicles commission for the 2010 through 2016 assessment dates. Provides that an exemption application does not have to be filed annually to continue the exemption through the 2016 assessment date. Permits a city, town, or county to enhance property tax abatement schedules to allow up to three years of 100% abatement if the business meets one of the following criteria: (1) locates in a large vacant building; (2) agrees to invest at least \$10 million in the community; (3) rehabilitates and occupies property in designated downtown areas; or (4) locates in a county with high unemployment. Authorizes local entities to develop alternative methods for determining the duration and amount of property tax abatements. Authorizes cities and counties to pay hiring incentives for new employment in their jurisdictions. Requires hiring incentives to be paid from local option income taxes received by the city or county. Provides that the hiring incentives may not exceed the local option income taxes paid by the new employees. Removes the requirement that any annual operating savings realized by Purdue University and Indiana University with respect to qualified energy savings projects in excess of the annual debt service requirements on bonds issued for the projects be used to fund basic research for the Indiana Innovation Alliance. Provides that a PSAP operated by an excluded city in Marion County does not count against the limit on the number of PSAPs in the county. 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. Provides for a two year property tax exemption for the property of the Marion County Medical Society

(which provides services to its members as the Indianapolis Medical Society) and similarly situated medical societies. Provides a property tax exemption for 2010 and 2011 for property owned by a nonprofit corporation and used as a center for the arts and for which an exemption was granted before 2010. Provides a property tax exemption for property taxes due in 2009, 2010, and 2011 for an organization in Marion County that is dedicated to providing services to the community and that failed to timely file an application for those years, if the organization was entitled to an exemption in 2007 for the same property. **(This conference committee report deletes the contents of the bill and inserts the provisions described above.)**

Effective: Upon passage; January 1, 2008 (retroactive); January 1, 2010 (retroactive); July 1, 2011.

CONFERENCE COMMITTEE REPORT

MR. SPEAKER:

Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill No. 1007 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning state
- 3 and local administration.
- 4 Delete everything after the enacting clause and insert the following:
- 5 SECTION 1. IC 6-1.1-10-44, AS ADDED BY P.L.163-2009,
- 6 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 7 JULY 1, 2011]: Sec. 44. (a) As used in this section, "designating body"
- 8 means the fiscal body of:
 - 9 (1) a county that does not contain a consolidated city; or
 - 10 (2) a municipality.
- 11 (b) As used in this section, "eligible business" means an entity that
- 12 meets the following requirements:
 - 13 (1) The entity is engaged in a business that operates one (1) or
 - 14 more facilities dedicated to computing, networking, or data
 - 15 storage activities.
 - 16 (2) The entity is located in a facility or data center in Indiana.
 - 17 (3) The entity invests in the aggregate at least ten million dollars
 - 18 (\$10,000,000) in real and personal property in Indiana after June
 - 19 30, 2009.
 - 20 (4) The average employee wage of the entity is at least one
 - 21 hundred twenty-five percent (125%) of the county average wage
 - 22 for each county in which the entity conducts business operations.

1 (c) As used in this section, "enterprise information technology
2 equipment" means the following:

3 (1) Hardware supporting computing, networking, or data storage
4 **function functions**, including servers and routers.

5 (2) Networking systems having an industry designation as
6 equipment within the "enterprise" or "data center" class of
7 networking systems that support the computing, networking, or
8 data storage functions.

9 (3) Generators and other equipment used to ensure an
10 uninterrupted power supply to equipment described in subdivision
11 (1) or (2).

12 The term does not include computer hardware designed for single user,
13 workstation, or departmental level use.

14 (d) As used in this section, "fiscal body" has the meaning set forth
15 in IC 36-1-2-6.

16 (e) As used in this section, "municipality" has the meaning set forth
17 in IC 36-1-2-11.

18 (f) As used in this section, "qualified property" means enterprise
19 information technology equipment purchased after June 30, 2009.

20 (g) Before adopting a final resolution under subsection (h) to
21 provide a property tax exemption, a designating body must first adopt
22 a declaratory resolution provisionally specifying that qualified property
23 owned by a particular eligible business is exempt from property
24 taxation. The designating body shall file a declaratory resolution
25 adopted under this subsection with the county assessor. After a
26 designating body adopts a declaratory resolution specifying that
27 qualified property owned by a particular eligible business is exempt
28 from property taxation, the designating body shall publish notice of the
29 adoption and the substance of the declaratory resolution in accordance
30 with IC 5-3-1 and file a copy of the notice and the declaratory
31 resolution with each taxing unit in the county. The notice must specify
32 a date when the designating body will receive and hear all
33 remonstrances and objections from interested persons. The designating
34 body shall file the notice and the declaratory resolution with the
35 officers of the taxing units who are authorized to fix budgets, tax rates,
36 and tax levies under IC 6-1.1-17-5 at least ten (10) days before the date
37 for the public hearing. After the designating body considers the
38 testimony presented at the public hearing, the designating body may
39 adopt a second and final resolution under subsection (h). The second
40 and final resolution under subsection (h) may modify, confirm, or
41 rescind the declaratory resolution.

42 (h) Before January 1, ~~2013~~, **2017**, a designating body may, after
43 following the procedures of subsection (g), adopt a final resolution
44 providing that qualified property owned by a particular eligible
45 business is exempt from property taxation. In the case of a county, the
46 exemption applies only to qualified property that is located in
47 unincorporated territory of the county. In the case of a municipality, the
48 exemption applies only to qualified property that is located in the
49 municipality. The property tax exemption applies to the qualified
50 property only if the designating body and the eligible business enter
51 into an agreement concerning the property tax exemption. The

1 agreement must specify the duration of the property tax exemption. The
 2 agreement may specify that if the ownership of qualified property is
 3 transferred by an eligible business, the transferee is entitled to the
 4 property tax exemption on the same terms as the transferor. If a
 5 designating body adopts a final resolution under this subsection and
 6 enters into an agreement with an eligible business, the qualified
 7 property owned by the eligible business is exempt from property
 8 taxation as provided in the resolution and the agreement.

9 (i) If a designating body adopts a final resolution and enters into an
 10 agreement under subsection (h) to provide a property tax exemption,
 11 the property tax exemption continues for the period specified in the
 12 agreement, notwithstanding the January 1, ~~2013~~, **2017**, deadline to
 13 adopt a final resolution under subsection (h).

14 SECTION 2. IC 6-1.1-10-24 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]:
 16 Sec. 24. (a) Subject to the limitations contained in subsection (b) of this
 17 section, the following tangible property is exempt from property
 18 taxation if it is owned by a fraternity or sorority **that is exempt from**
 19 **federal income taxation under Section 501(c)(2), Section 501(c)(3),**
 20 **or Section 501(c)(7) of the Internal Revenue Code:**

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

24 (b) This exemption does not apply unless:

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

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

- 35 (1) a fraternity or sorority that is connected with or related to,
 36 and under the supervision of, a college, university, or other
 37 educational institution;
- 38 (2) an international, national, state, or local fraternity or
 39 sorority that administers, coordinates, operates, or governs
 40 fraternity or sorority chapters, units, divisions, or other
 41 groups or group members that are connected with or related
 42 to, and under the supervision of, a college, university, or other
 43 educational institution;
- 44 (3) a foundation related to a fraternity or sorority; or
- 45 (4) a housing corporation or similar entity related to a
 46 fraternity or sorority.

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

51 SECTION 3. IC 6-1.1-11-4, AS AMENDED BY P.L.182-2009(ss),

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

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

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

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

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

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

17 (1) the exempt property is:

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

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

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

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

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

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

35 A change in ownership of property does not terminate an exemption of
 36 the property if after the change in ownership the property continues to
 37 meet the requirements for an exemption under IC 6-1.1-10-16, ~~or~~
 38 IC 6-1.1-10-21, **or IC 6-1.1-10-24.** However, if title to any of the real
 39 property subject to the exemption changes or any of the tangible
 40 property subject to the exemption is used for a nonexempt purpose after
 41 the date of the last properly filed exemption application, the person that
 42 obtained the exemption or the current owner of the property shall notify
 43 the county assessor for the county where the tangible property is
 44 located of the change in the year that the change occurs. The notice
 45 must be in the form prescribed by the department of local government
 46 finance. If the county assessor discovers that title to property granted
 47 an exemption described in IC 6-1.1-10-16, ~~or~~ IC 6-1.1-10-21, **or
 48 IC 6-1.1-10-24** has changed, the county assessor shall notify the
 49 persons entitled to a tax statement under IC 6-1.1-22-8.1 for the
 50 property of the change in title and indicate that the county auditor will
 51 suspend the exemption for the property until the persons provide the

1 county assessor with an affidavit, signed under penalties of perjury, that
 2 identifies the new owners of the property and indicates that the
 3 property continues to meet the requirements for an exemption under
 4 IC 6-1.1-10-21, ~~or~~ IC 6-1.1-10-16, **or IC 6-1.1-10-24**. Upon receipt of
 5 the affidavit, the county assessor shall reinstate the exemption for the
 6 years for which the exemption was suspended and each year thereafter
 7 that the property continues to meet the requirements for an exemption
 8 under IC 6-1.1-10-21, ~~or~~ IC 6-1.1-10-16, **or IC 6-1.1-10-24**.

9 SECTION 4. IC 6-1.1-11-4.5 IS ADDED TO THE INDIANA
 10 CODE AS A NEW SECTION TO READ AS FOLLOWS
 11 [EFFECTIVE UPON PASSAGE]: **Sec. 4.5. (a) This section applies to**
 12 **a taxpayer notwithstanding this chapter or any other law or**
 13 **administrative rule or provision.**

14 **(b) This section applies to an assessment date, as defined in**
 15 **IC 6-1.1-1-2, occurring in 2010 through 2016, and is referred to in**
 16 **this section as the "applicable assessment date".**

17 **(c) As used in this section, "taxpayer" refers to a person, as**
 18 **defined in IC 6-1.1-1-10, that:**

19 **(1) leases real property to the bureau of motor vehicles or the**
 20 **bureau of motor vehicles commission as of an applicable**
 21 **assessment date; and**

22 **(2) filed or refiled after January 15, 2010, and before January**
 23 **25, 2010, in a manner consistent with IC 6-1.1-36-1.5, a Form**
 24 **136 property tax exemption application, along with any**
 25 **supporting documents, schedules, or attachments, claiming an**
 26 **exemption from real property taxes under IC 36-1-10-18 for**
 27 **property leased to the bureau of motor vehicles or bureau of**
 28 **motor vehicles commission for an assessment date that is**
 29 **before 2010.**

30 **(d) If the real property identified in the Form 136 property tax**
 31 **exemption application referred to in subsection (c)(2) at any time**
 32 **received a full or partial exemption from real property taxes for an**
 33 **assessment date that is before an applicable assessment date, the**
 34 **taxpayer is entitled to an exemption from real property taxes for**
 35 **each applicable assessment date for all property leased to the**
 36 **bureau of motor vehicles or bureau of motor vehicles commission**
 37 **for that applicable assessment date. The taxpayer is not required**
 38 **to pay property taxes, penalties, or interest with respect to the**
 39 **exempt property.**

40 **(e) The exemption allowed by this section shall be applied by the**
 41 **auditor of the county in which the real property exempt under this**
 42 **section is located without the taxpayer having to annually file or**
 43 **refile an exemption application under section 3 of this chapter.**

44 **(f) The part of the real property that is exempt under this**
 45 **section shall be based on the square footage of the real property**
 46 **leased to the bureau of motor vehicles or bureau of motor vehicles**
 47 **commission. The county auditor may request from the taxpayer**
 48 **information that is reasonably necessary to demonstrate:**

49 **(1) that the real property is leased to the bureau of motor**
 50 **vehicles or bureau of motor vehicles commission as of a**
 51 **particular applicable assessment date; and**

1 **(2) the appropriate exemption percentage.**

2 **The auditor of the county in which the real property exempt under**
 3 **this section is located shall apply the same exemption percentage**
 4 **to both the land and improvements owned by the taxpayer.**

5 **(g) The county assessor or the property tax assessment board of**
 6 **appeals of the county in which the real property exempt under this**
 7 **section is located may not exercise any authority over the**
 8 **exemption and may not disapprove the exemption. The exemption**
 9 **allowed by this section applies regardless of whether the property**
 10 **tax assessment board of appeals of the county in which the**
 11 **property exempt under this section is located has previously denied**
 12 **the exemption for an applicable assessment date.**

13 **(h) This section expires January 1, 2018.**

14 SECTION 5. IC 6-1.1-12.1-4, AS AMENDED BY P.L.219-2007,
 15 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2011]: Sec. 4. (a) Except as provided in section 2(i)(4) of this
 17 chapter, and subject to section 15 of this chapter, the amount of the
 18 deduction which the property owner is entitled to receive under section
 19 3 of this chapter for a particular year equals the product of:

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

22 **(2) either of the following:**

23 **(A)** The percentage prescribed in the table set forth in
 24 subsection (d).

25 **(B) The percentage prescribed by section 17 of this chapter**
 26 **if the designating body elects to use the method set forth in**
 27 **section 17 of this chapter.**

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

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

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

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

42 (c) Property owners who had an area designated an urban
 43 development area pursuant to an application filed prior to January 1,
 44 1979, are only entitled to the deduction for the first through the fifth
 45 years as provided in subsection (d)(10). In addition, property owners
 46 who are entitled to a deduction under this chapter pursuant to an
 47 application filed after December 31, 1978, and before January 1, 1986,
 48 are entitled to a deduction for the first through the tenth years, as
 49 provided in subsection (d)(10).

50 (d) The percentage ~~to be~~ **that may be** used in calculating the
 51 deduction under subsection ~~(a)~~ **(a)(2)(A)** is as follows:

1	(1) For deductions allowed over a one (1) year period:	
2	YEAR OF DEDUCTION	PERCENTAGE
3	1st	100%
4	(2) For deductions allowed over a two (2) year period:	
5	YEAR OF DEDUCTION	PERCENTAGE
6	1st	100%
7	2nd	50%
8	(3) For deductions allowed over a three (3) year period:	
9	YEAR OF DEDUCTION	PERCENTAGE
10	1st	100%
11	2nd	66%
12	3rd	33%
13	(4) For deductions allowed over a four (4) year period:	
14	YEAR OF DEDUCTION	PERCENTAGE
15	1st	100%
16	2nd	75%
17	3rd	50%
18	4th	25%
19	(5) For deductions allowed over a five (5) year period:	
20	YEAR OF DEDUCTION	PERCENTAGE
21	1st	100%
22	2nd	80%
23	3rd	60%
24	4th	40%
25	5th	20%
26	(6) For deductions allowed over a six (6) year period:	
27	YEAR OF DEDUCTION	PERCENTAGE
28	1st	100%
29	2nd	85%
30	3rd	66%
31	4th	50%
32	5th	34%
33	6th	17%
34	(7) For deductions allowed over a seven (7) year period:	
35	YEAR OF DEDUCTION	PERCENTAGE
36	1st	100%
37	2nd	85%
38	3rd	71%
39	4th	57%
40	5th	43%
41	6th	29%
42	7th	14%
43	(8) For deductions allowed over an eight (8) year period:	
44	YEAR OF DEDUCTION	PERCENTAGE
45	1st	100%
46	2nd	88%
47	3rd	75%
48	4th	63%
49	5th	50%
50	6th	38%
51	7th	25%

1	8th	13%
2	(9) For deductions allowed over a nine (9) year period:	
3	YEAR OF DEDUCTION	PERCENTAGE
4	1st	100%
5	2nd	88%
6	3rd	77%
7	4th	66%
8	5th	55%
9	6th	44%
10	7th	33%
11	8th	22%
12	9th	11%

13	(10) For deductions allowed over a ten (10) year period:	
14	YEAR OF DEDUCTION	PERCENTAGE
15	1st	100%
16	2nd	95%
17	3rd	80%
18	4th	65%
19	5th	50%
20	6th	40%
21	7th	30%
22	8th	20%
23	9th	10%
24	10th	5%

25 SECTION 6. IC 6-1.1-12.1-4.5, AS AMENDED BY P.L.146-2008,
 26 SECTION 122, IS AMENDED TO READ AS FOLLOWS
 27 [EFFECTIVE JULY 1, 2011]: Sec. 4.5. (a) An applicant must provide
 28 a statement of benefits to the designating body. The applicant must
 29 provide the completed statement of benefits form to the designating
 30 body before the hearing specified in section 2.5(c) of this chapter or
 31 before the installation of the new manufacturing equipment, new
 32 research and development equipment, new logistical distribution
 33 equipment, or new information technology equipment for which the
 34 person desires to claim a deduction under this chapter. The department
 35 of local government finance shall prescribe a form for the statement of
 36 benefits. The statement of benefits must include the following
 37 information:

- 38 (1) A description of the new manufacturing equipment, new
 39 research and development equipment, new logistical distribution
 40 equipment, or new information technology equipment that the
 41 person proposes to acquire.
- 42 (2) With respect to:
 - 43 (A) new manufacturing equipment not used to dispose of solid
 44 waste or hazardous waste by converting the solid waste or
 45 hazardous waste into energy or other useful products; and
 - 46 (B) new research and development equipment, new logistical
 47 distribution equipment, or new information technology
 48 equipment;
- 49 an estimate of the number of individuals who will be employed or
 50 whose employment will be retained by the person as a result of
 51 the installation of the new manufacturing equipment, new

- 1 research and development equipment, new logistical distribution
 2 equipment, or new information technology equipment and an
 3 estimate of the annual salaries of these individuals.
- 4 (3) An estimate of the cost of the new manufacturing equipment,
 5 new research and development equipment, new logistical
 6 distribution equipment, or new information technology
 7 equipment.
- 8 (4) With respect to new manufacturing equipment used to dispose
 9 of solid waste or hazardous waste by converting the solid waste
 10 or hazardous waste into energy or other useful products, an
 11 estimate of the amount of solid waste or hazardous waste that will
 12 be converted into energy or other useful products by the new
 13 manufacturing 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 research and development equipment, new
 24 logistical distribution equipment, or new information technology
 25 equipment is reasonable for equipment of that type.
- 26 (2) With respect to:
- 27 (A) new manufacturing equipment not used to dispose of solid
 28 waste or hazardous waste by converting the solid waste or
 29 hazardous waste into energy or other useful products; and
 30 (B) new research and development equipment, new logistical
 31 distribution equipment, or new information technology
 32 equipment;
- 33 whether the estimate of the number of individuals who will be
 34 employed or whose employment will be retained can be
 35 reasonably expected to result from the installation of the new
 36 manufacturing equipment, new research and development
 37 equipment, new logistical distribution equipment, or new
 38 information technology equipment.
- 39 (3) Whether the estimate of the annual salaries of those
 40 individuals who will be employed or whose employment will be
 41 retained can be reasonably expected to result from the proposed
 42 installation of new manufacturing equipment, new research and
 43 development equipment, new logistical distribution equipment, or
 44 new information technology equipment.
- 45 (4) With respect to new manufacturing equipment used to dispose
 46 of solid waste or hazardous waste by converting the solid waste
 47 or hazardous waste into energy or other useful products, whether
 48 the estimate of the amount of solid waste or hazardous waste that
 49 will be converted into energy or other useful products can be
 50 reasonably expected to result from the installation of the new
 51 manufacturing equipment.

1 (5) Whether any other benefits about which information was
2 requested are benefits that can be reasonably expected to result
3 from the proposed installation of new manufacturing equipment,
4 new research and development equipment, new logistical
5 distribution equipment, or new information technology
6 equipment.

7 (6) Whether the totality of benefits is sufficient to justify the
8 deduction.

9 The designating body may not designate an area an economic
10 revitalization area or approve the deduction unless it makes the
11 findings required by this subsection in the affirmative.

12 (c) Except as provided in subsection (g), and subject to subsection
13 (h) and section 15 of this chapter, an owner of new manufacturing
14 equipment, new research and development equipment, new logistical
15 distribution equipment, or new information technology equipment
16 whose statement of benefits is approved after June 30, 2000, is entitled
17 to a deduction from the assessed value of that equipment for the
18 number of years determined by the designating body under subsection
19 (f). Except as provided in subsection (e) and in section 2(i)(3) of this
20 chapter, and subject to subsection (h) and section 15 of this chapter, the
21 amount of the deduction that an owner is entitled to for a particular
22 year equals the product of:

- 23 (1) the assessed value of the new manufacturing equipment, new
24 research and development equipment, new logistical distribution
25 equipment, or new information technology equipment in the year
26 of deduction under the appropriate table set forth in subsection
27 (d); multiplied by
- 28 (2) the percentage prescribed in the appropriate table set forth in
29 subsection (d).

30 (d) **Unless the designating body elects to use the method set forth**
31 **in section 17 of this chapter to calculate a deduction**, the percentage
32 to be used in calculating the deduction under subsection (c) is as
33 follows:

- 34 (1) For deductions allowed over a one (1) year period:
- 35 YEAR OF DEDUCTION PERCENTAGE
- 36 1st 100%
- 37 2nd and thereafter 0%
- 38 (2) For deductions allowed over a two (2) year period:
- 39 YEAR OF DEDUCTION PERCENTAGE
- 40 1st 100%
- 41 2nd 50%
- 42 3rd and thereafter 0%
- 43 (3) For deductions allowed over a three (3) year period:
- 44 YEAR OF DEDUCTION PERCENTAGE
- 45 1st 100%
- 46 2nd 66%
- 47 3rd 33%
- 48 4th and thereafter 0%
- 49 (4) For deductions allowed over a four (4) year period:
- 50 YEAR OF DEDUCTION PERCENTAGE
- 51 1st 100%

1	2nd	75%
2	3rd	50%
3	4th	25%
4	5th and thereafter	0%
5	(5) For deductions allowed over a five (5) year period:	
6	YEAR OF DEDUCTION	PERCENTAGE
7	1st	100%
8	2nd	80%
9	3rd	60%
10	4th	40%
11	5th	20%
12	6th and thereafter	0%
13	(6) For deductions allowed over a six (6) year period:	
14	YEAR OF DEDUCTION	PERCENTAGE
15	1st	100%
16	2nd	85%
17	3rd	66%
18	4th	50%
19	5th	34%
20	6th	25%
21	7th and thereafter	0%
22	(7) For deductions allowed over a seven (7) year period:	
23	YEAR OF DEDUCTION	PERCENTAGE
24	1st	100%
25	2nd	85%
26	3rd	71%
27	4th	57%
28	5th	43%
29	6th	29%
30	7th	14%
31	8th and thereafter	0%
32	(8) For deductions allowed over an eight (8) year period:	
33	YEAR OF DEDUCTION	PERCENTAGE
34	1st	100%
35	2nd	88%
36	3rd	75%
37	4th	63%
38	5th	50%
39	6th	38%
40	7th	25%
41	8th	13%
42	9th and thereafter	0%
43	(9) For deductions allowed over a nine (9) year period:	
44	YEAR OF DEDUCTION	PERCENTAGE
45	1st	100%
46	2nd	88%
47	3rd	77%
48	4th	66%
49	5th	55%
50	6th	44%
51	7th	33%

1	8th	22%
2	9th	11%
3	10th and thereafter	0%
4	(10) For deductions allowed over a ten (10) year period:	
5	YEAR OF DEDUCTION	PERCENTAGE
6	1st	100%
7	2nd	90%
8	3rd	80%
9	4th	70%
10	5th	60%
11	6th	50%
12	7th	40%
13	8th	30%
14	9th	20%
15	10th	10%
16	11th and thereafter	0%

17 (e) With respect to new manufacturing equipment and new research
 18 and development equipment installed before March 2, 2001, the
 19 deduction under this section is the amount that causes the net assessed
 20 value of the property after the application of the deduction under this
 21 section to equal the net assessed value after the application of the
 22 deduction under this section that results from computing:

- 23 (1) the deduction under this section as in effect on March 1, 2001;
- 24 and
- 25 (2) the assessed value of the property under 50 IAC 4.2, as in
 26 effect on March 1, 2001, or, in the case of property subject to
 27 IC 6-1.1-8, 50 IAC 5.1, as in effect on March 1, 2001.

28 (f) For an economic revitalization area designated before July 1,
 29 2000, the designating body shall determine whether a property owner
 30 whose statement of benefits is approved after April 30, 1991, is entitled
 31 to a deduction for five (5) or ten (10) years. For an economic
 32 revitalization area designated after June 30, 2000, the designating body
 33 shall determine the number of years the deduction is allowed. However,
 34 the deduction may not be allowed for more than ten (10) years. This
 35 determination shall be made:

- 36 (1) as part of the resolution adopted under section 2.5 of this
 37 chapter; or
- 38 (2) by resolution adopted within sixty (60) days after receiving a
 39 copy of a property owner's certified deduction application from
 40 the county auditor. A certified copy of the resolution shall be sent
 41 to the county auditor.

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

45 (g) The owner of new manufacturing equipment that is directly used
 46 to dispose of hazardous waste is not entitled to the deduction provided
 47 by this section for a particular assessment year if during that
 48 assessment year the owner:

- 49 (1) is convicted of a criminal violation under IC 13, including
 50 IC 13-7-13-3 (repealed) or IC 13-7-13-4 (repealed); or
- 51 (2) is subject to an order or a consent decree with respect to

1 property located in Indiana based on a violation of a federal or
 2 state rule, regulation, or statute governing the treatment, storage,
 3 or disposal of hazardous wastes that had a major or moderate
 4 potential for harm.

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

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

14 (2) the quotient of:

15 (A) the amount of the valuation limitation determined under
 16 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 for all of the owner's
 17 depreciable personal property in the taxing district; divided by

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

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

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

27 SECTION 7. IC 6-1.1-12.1-11.3, AS AMENDED BY P.L.154-2006,
 28 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2011]: Sec. 11.3. (a) This section applies only to the following
 30 requirements:

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

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

36 (A) initiation of the redevelopment or rehabilitation;

37 (B) installation of new manufacturing equipment, new
 38 research and development equipment, new logistical
 39 distribution equipment, or new information technology
 40 equipment; or

41 (C) occupation of an eligible vacant building;

42 for which the person desires to claim a deduction under this
 43 chapter.

44 (3) Failure to designate an area as an economic revitalization area
 45 before the initiation of the:

46 (A) redevelopment;

47 (B) installation of new manufacturing equipment, new
 48 research and development equipment, new logistical
 49 distribution equipment, or new information technology
 50 equipment;

51 (C) rehabilitation; or

1 (D) occupation of an eligible vacant building;
 2 for which the person desires to claim a deduction under this
 3 chapter.

4 (4) Failure to make the required findings of fact before
 5 designating an area as an economic revitalization area or
 6 authorizing a deduction for new manufacturing equipment, new
 7 research and development equipment, new logistical distribution
 8 equipment, or new information technology equipment under
 9 section 2, 3, 4.5, or 4.8 of this chapter.

10 (5) Failure to file a:

11 (A) timely; or

12 (B) complete;

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

14 **(6) Failure to designate an area as a designated downtown**
 15 **area under section 16 of this chapter before enhancing a**
 16 **deduction under section 16 of this chapter.**

17 (b) This section does not grant a designating body the authority to
 18 exempt a person from filing a statement of benefits or exempt a
 19 designating body from making findings of fact.

20 (c) A designating body may by resolution waive noncompliance
 21 described under subsection (a) under the terms and conditions specified
 22 in the resolution. Before adopting a waiver under this subsection, the
 23 designating body shall conduct a public hearing on the waiver.

24 SECTION 8. IC 6-1.1-12.1-16 IS ADDED TO THE INDIANA
 25 CODE AS A NEW SECTION TO READ AS FOLLOWS
 26 [EFFECTIVE JULY 1, 2011]: **Sec. 16. (a) This section applies to**
 27 **property that is the subject of a deduction application filed after**
 28 **June 30, 2011, if:**

29 **(1) property that is the subject of a deduction application is an**
 30 **eligible vacant building with at least fifty thousand (50,000)**
 31 **square feet and, as a condition of obtaining the deduction, the**
 32 **deduction applicant agrees to use the eligible vacant building**
 33 **for industrial or commercial purposes;**

34 **(2) as a condition of obtaining a deduction under this chapter,**
 35 **the deduction applicant agrees to invest at least ten million**
 36 **dollars (\$10,000,000) in property that is eligible for a**
 37 **deduction under this chapter;**

38 **(3) property that is the subject of a deduction application**
 39 **consists of a proposed rehabilitation of property in a**
 40 **designated downtown area; or**

41 **(4) the property that is the subject of a deduction application**
 42 **is or will be located in a county in which:**

43 **(A) the average annualized unemployment rate in each of**
 44 **the two (2) calendar years immediately preceding the**
 45 **current calendar year exceeded the statewide average**
 46 **annualized unemployment rate for each of the same**
 47 **calendar years by at least two percent (2%); or**

48 **(B) the average annualized unemployment rate in the**
 49 **immediately preceding calendar year was at least double**
 50 **the statewide average annualized unemployment rate for**
 51 **the same period;**

1 as determined by the department of workforce development.
 2 (b) A designating body may enhance under this section the
 3 deduction schedule that would otherwise apply to tangible
 4 property described in subsection (a) to provide a deduction equal
 5 to one hundred percent (100%) of the gross assessed value of
 6 property for up to three (3) consecutive years, beginning with the
 7 first year that the property is eligible for a deduction under this
 8 chapter. If the deduction application is for a deduction under
 9 section 4.8 of this chapter, the designating body may extend under
 10 this section the maximum term of the deduction from two (2) to
 11 three (3) years.

12 (c) A designating body may enhance the deduction as provided
 13 in subsection (b) in the resolution designating the number of years
 14 to which a deduction allowed under section 3, 4.5, or 4.8 of this
 15 chapter applies. The designating body may grant an enhancement
 16 under the terms and conditions specified in the resolution. Before
 17 adopting a resolution under this subsection, the designating body
 18 shall conduct a public hearing on the resolution. Notice of the
 19 public hearing shall be published in accordance with IC 5-3-1. In
 20 addition, the designating body shall notify each taxing unit within
 21 the taxing district where the property is or will be located of the
 22 proposed resolution, including the date and time of the public
 23 hearing. If a resolution is adopted under this section, the
 24 designating body shall deliver a copy of the adopted resolution to
 25 the:

26 (1) county auditor; and
 27 (2) township assessor for the township where the property is
 28 located or, if there is no township assessor, the county
 29 assessor;
 30 within thirty (30) days after its adoption.

31 (d) A public hearing or resolution under this section may be
 32 combined with any other public hearing or resolution required
 33 under this chapter.

34 (e) For purposes of applying this section to property described
 35 in subsection (a)(3), the fiscal body of a city or town may by
 36 ordinance designate any part of:

37 (1) the central business district of a city or town; or
 38 (2) any commercial or mixed use area within a neighborhood
 39 of a city or town that has traditionally served, since the
 40 founding of the community, as the retail service and
 41 communal focal point within the community;

42 as a designated downtown area. The ordinance must include a
 43 simplified description of the boundaries of the area by describing
 44 its location in relation to public ways, streams, or otherwise. The
 45 fiscal body may designate a maximum of fifteen percent (15%) of
 46 the total geographic territory of the city or town as a designated
 47 downtown area. A resolution adopted under subsection (c)
 48 concerning property described in subsection (a)(3) must include a
 49 certified copy of the ordinance adopted under this subsection.

50 SECTION 9. IC 6-1.1-12.1-17 IS ADDED TO THE INDIANA
 51 CODE AS A NEW SECTION TO READ AS FOLLOWS

1 [EFFECTIVE JULY 1, 2011]: **Sec. 17. (a) A designating body may**
 2 **provide to a business that is established in or relocated to a**
 3 **revitalization area and that receives a deduction under section 4 or**
 4 **4.5 of this chapter an alternative abatement schedule based on the**
 5 **following factors:**

6 (1) **The total amount of the taxpayer's investment in real and**
 7 **personal property.**

8 (2) **The number of new full-time equivalent jobs created.**

9 (3) **The average wage of the new employees compared to the**
 10 **state minimum wage.**

11 (4) **The infrastructure requirements for the taxpayer's**
 12 **investment.**

13 (b) **An alternative abatement schedule must specify the**
 14 **percentage amount of the deduction for each year of the deduction.**
 15 **An alternative abatement schedule may not exceed ten (10) years.**

16 SECTION 10. IC 6-3.5-9 IS ADDED TO THE INDIANA CODE
 17 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2011]:

19 **Chapter 9. Local Option Hiring Incentive**

20 **Sec. 1. This chapter applies to a city or county that receives a**
 21 **certified distribution of a tax imposed under IC 6-3.5-1.1,**
 22 **IC 6-3.5-6, or IC 6-3.5-7.**

23 **Sec. 2. As used in this chapter, "fiscal body" has the meaning set**
 24 **forth in IC 36-1-2-6.**

25 **Sec. 3. As used in this chapter, "IEDC" refers to the Indiana**
 26 **economic development corporation established by IC 5-28-3-1.**

27 **Sec. 4. As used in this chapter, "new employee" has the meaning**
 28 **set forth in IC 6-3.1-13-6, except that as applied to a project that is**
 29 **the subject of a hiring incentive agreement under this chapter, the**
 30 **phrase "tax credit agreement" in the definition of "new employee"**
 31 **under IC 6-3.1-13-6 is construed as a hiring incentive agreement**
 32 **under this chapter.**

33 **Sec. 5. As used in this chapter, "person" means an individual, a**
 34 **sole proprietorship, a partnership, an association, a fiduciary, a**
 35 **corporation, a limited liability company, or any other business**
 36 **entity.**

37 **Sec. 6. As used in this chapter, "qualified employee" means a**
 38 **new employee who resides in the county in which a taxpayer's job**
 39 **creation project is located.**

40 **Sec. 7. As used in this chapter, "qualified unit" means a city or**
 41 **county described in section 1 of this chapter.**

42 **Sec. 8. As used in this chapter, "taxpayer" means a person that**
 43 **enters an agreement with a qualified unit to receive a hiring**
 44 **incentive.**

45 **Sec. 9. (a) A qualified unit may offer hiring incentives under this**
 46 **chapter to foster job creation in the qualified unit.**

47 (b) **The hiring incentive shall be claimed for the calendar years**
 48 **specified in the taxpayer's hiring incentive agreement.**

49 **Sec. 10. A person that proposes a project to create new jobs in**
 50 **a qualified unit may apply, as provided in section 11 of this**
 51 **chapter, to the qualified unit to enter into an agreement for a**

1 hiring incentive under this chapter.

2 Sec. 11. This section applies to an application proposing a
3 project to create new jobs in a qualified unit. After receipt of an
4 application, the qualified unit may enter into an agreement with
5 the applicant for a hiring incentive under this chapter if the fiscal
6 body of the qualified unit approves the agreement after finding
7 that all of the following conditions exist:

8 (1) The applicant's project will create new jobs that were not
9 jobs previously performed by employees of the applicant in
10 the qualified unit.

11 (2) The applicant's project is economically sound and will
12 benefit the people of the qualified unit by increasing
13 opportunities for employment in the qualified unit and
14 strengthening the economy of Indiana.

15 (3) Receiving the hiring incentive is a major factor in the
16 applicant's decision to go forward with the project and not
17 receiving the hiring incentive will result in the applicant not
18 creating new jobs in the qualified unit.

19 (4) The hiring incentive is not prohibited by section 12 of this
20 chapter.

21 Sec. 12. A person is not entitled to claim a hiring incentive
22 provided by this chapter for any jobs that the person relocates
23 from one (1) site in Indiana to another site in Indiana.
24 Determinations under this section shall be made by the qualified
25 unit providing the hiring incentive.

26 Sec. 13. (a) Subject to subsection (c), the qualified unit shall
27 determine the amount and duration of a hiring incentive awarded
28 under this chapter. The duration of the hiring incentive may not
29 exceed ten (10) calendar years.

30 (b) The hiring incentive may be stated as a percentage of the
31 aggregate annual local option income taxes withheld and remitted
32 on behalf of the qualified employees employed by the taxpayer and
33 may include a fixed dollar limitation.

34 (c) The amount of a hiring incentive paid to a taxpayer in a
35 particular calendar year may not exceed the aggregate amount of
36 local option income taxes withheld and remitted during that
37 calendar year on behalf of the taxpayer's qualified employees.

38 (d) A hiring incentive may be paid to a taxpayer in installments
39 as set forth in the hiring incentive agreement.

40 Sec. 14. A qualified unit shall enter into an agreement with an
41 applicant that is awarded a credit under this chapter. The
42 agreement must include all of the following:

43 (1) A detailed description of the project that is the subject of
44 the agreement.

45 (2) The duration of the hiring incentive and the first calendar
46 year for which the hiring incentive may be claimed.

47 (3) The hiring incentive amount that will be allowed for each
48 calendar year.

49 (4) A requirement that the taxpayer shall maintain operations
50 at the project location for at least two (2) years following the
51 last calendar year in which the applicant claims the hiring

- 1 incentive.
- 2 (5) A statement that a taxpayer is subject to an assessment
- 3 under section 16 of this chapter for noncompliance with the
- 4 agreement.
- 5 (6) A specific method for determining the number of new
- 6 employees employed during a calendar year who are
- 7 performing jobs not previously performed by an employee.
- 8 (7) A requirement that the taxpayer shall annually report to
- 9 the qualified unit, subject to the protections under
- 10 IC 5-14-3-4(a)(5) and IC 5-14-3-4(a)(6):
- 11 (A) the number of new employees who are performing jobs
- 12 not previously performed by an employee;
- 13 (B) the new income tax revenue withheld in connection
- 14 with the new employees; and
- 15 (C) any other information the qualified unit needs to
- 16 perform the qualified unit's duties under this chapter.
- 17 (8) A requirement that the qualified unit is authorized to
- 18 verify with the appropriate state agencies, including the
- 19 IEDC, the amounts reported under subdivision (7), and after
- 20 doing so shall issue a certificate to the taxpayer stating that
- 21 the amounts have been verified.
- 22 (9) Any other performance conditions that the qualified unit
- 23 determines are appropriate.

24 **Sec. 15.** A qualified unit shall pay hiring incentives provided

25 under this chapter from revenues received by the qualified unit

26 under:

- 27 (1) IC 6-3.5-1.1-15;
- 28 (2) IC 6-3.5-6-19;
- 29 (3) IC 6-3.5-7-13.1; or
- 30 (4) any combination of the sources listed in subdivisions (1)
- 31 through (3).

32 **Sec. 16.** If the qualified unit determines that a taxpayer who has

33 claimed a hiring incentive under this chapter is not entitled to the

34 hiring incentive because of the taxpayer's noncompliance with the

35 requirements of the hiring incentive agreement or all of the

36 provisions of this chapter, the qualified unit shall, after giving the

37 taxpayer an opportunity to explain the noncompliance, pursue

38 existing remedies under law for an amount that may not exceed the

39 sum of any previously allowed hiring incentives under this chapter,

40 together with interest and penalties required or permitted by law.

41 **Sec. 17. (a)** The qualified unit shall submit an annual report to

42 the IEDC before July 1. The report must be in an electronic format

43 prescribed by the IEDC and must contain the following

44 information concerning a program established under this chapter:

45 (1) The number of taxpayers receiving hiring incentives in

46 that particular year.

47 (2) The location of each business receiving hiring incentives as

48 of the date of the report.

49 (3) A summary of the local incentives provided under this

50 chapter to each taxpayer receiving hiring incentives as of the

51 date of the report.

1 **(4) The number of jobs created and the average salary paid by**
2 **taxpayers receiving hiring incentives as of the date of the**
3 **report.**

4 **(b) The IEDC shall compile an annual report based on the**
5 **information received under subsection (a). The IEDC shall submit**
6 **the annual report to the legislative council before November 1. The**
7 **report must be in an electronic format under IC 5-14-6 and must**
8 **contain the information specified in subsection (a)(1) through**
9 **(a)(4), aggregated or otherwise protected as necessary to maintain**
10 **the confidentiality of any confidential information submitted upon**
11 **request by each taxpayer under this chapter.**

12 SECTION 11. IC 21-34-10-7, AS AMENDED BY
13 P.L.182-2009(ss), SECTION 366, IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. Bonds may be
15 issued by the board of trustees of a state educational institution without
16 the approval of the general assembly to finance a qualified energy
17 savings project if annual operating savings to the state educational
18 institution arising from the implementation of a qualified energy
19 savings project are reasonably expected to be at least equal to annual
20 debt service requirements on bonds issued for this purpose in each
21 fiscal year. However, the amount of bonds outstanding for the state
22 educational institution other than Ivy Tech Community College at any
23 time for qualified energy savings projects, other than refunding bonds
24 and exclusive of costs described in sections 3 and 4 of this chapter,
25 may not exceed fifteen million dollars (\$15,000,000) for each campus
26 of the state educational institution. ~~Any annual operating savings~~
27 ~~realized by Purdue University and Indiana University in excess of the~~
28 ~~annual debt service requirements on bonds issued shall be used to fund~~
29 ~~basic research for the Indiana Innovation Alliance.~~ The amount of
30 bonds outstanding for Ivy Tech Community College at any time for
31 qualified energy savings projects, other than refunding bonds and
32 exclusive of costs described in sections 3 and 4 of this chapter, may not
33 exceed forty-five million dollars (\$45,000,000). Bonds issued under
34 this section are not eligible for fee replacement.

35 SECTION 12. IC 36-8-16.5-51, AS ADDED BY P.L.137-2008,
36 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
37 UPON PASSAGE]: Sec. 51. (a) For purposes of this section, a PSAP
38 includes a public safety communications system operated and
39 maintained under IC 36-8-15.

40 (b) As used in this section, "PSAP operator" means:
41 (1) a political subdivision; or
42 (2) an agency;
43 that operates a PSAP. The term does not include ~~a state educational~~
44 ~~institution that operates a PSAP or an airport authority established for~~
45 ~~a county having a consolidated city.~~ **any entity described in**
46 **subsection (c)(1) through (c)(3).**

47 (c) Subject to subsection (d), after December 31, 2014, a county
48 may not contain more than two (2) PSAPs. However, a county may
49 contain one (1) or more PSAPs in addition to the number of PSAPs
50 authorized by this section, as long as any additional PSAPs are
51 operated by:

- 1 (1) a state educational institution; ~~or~~
 2 (2) an airport authority established for a county having a
 3 consolidated city; ~~or~~
 4 **(3) in a county having a consolidated city, an excluded city (as**
 5 **defined in IC 36-3-1-7).**
 6 (d) If, on March 15, 2008, a county does not contain more than one
 7 (1) PSAP, not including any PSAP operated by an entity described in
 8 subsection (c)(1) ~~or (c)(2)~~; **through (c)(3)**, an additional PSAP may not
 9 be established ~~or~~ **and** operated in the county on or after March 15,
 10 2008, unless the additional PSAP is established and operated by:
 11 (1) a state educational institution;
 12 (2) in the case of a county having a consolidated city, an airport
 13 authority established for the county; or
 14 (3) the municipality having the largest population in the county or
 15 an agency of that municipality.
 16 (e) Before January 1, 2015, each PSAP operator in a county that
 17 contains more than the number of PSAPs authorized by subsection (c)
 18 shall enter into an interlocal agreement under IC 36-1-7 with every
 19 other PSAP operator in the county to ensure that the county does not
 20 contain more than the number of PSAPs authorized by subsection (c)
 21 after December 31, 2014.
 22 (f) An interlocal agreement required under subsection (e) may
 23 include as parties, in addition to the PSAP operators required to enter
 24 into the interlocal agreement under subsection (e), any of the following
 25 that seek to be served by a county's authorized PSAPs after December
 26 31, 2014:
 27 (1) Other counties contiguous to the county.
 28 (2) Other political subdivisions in a county contiguous to the
 29 county.
 30 (3) Other PSAP operators in a county contiguous to the county.
 31 (g) An interlocal agreement required under subsection (e) must
 32 provide for the following:
 33 (1) A plan for the:
 34 (A) consolidation;
 35 (B) reorganization; or
 36 (C) elimination;
 37 of one (1) or more of the county's PSAPs, as necessary to ensure
 38 that the county does not contain more than the number of PSAPs
 39 authorized by subsection (c) after December 31, 2014.
 40 (2) A plan for funding and staffing the PSAP or PSAPs that will
 41 serve:
 42 (A) the county; and
 43 (B) any areas contiguous to the county, if additional parties
 44 described in subsection (f) participate in the interlocal
 45 agreement;
 46 after December 31, 2014.
 47 (3) Subject to any applicable state or federal requirements,
 48 protocol to be followed by the county's PSAP or PSAPs in:
 49 (A) receiving incoming 911 calls; and
 50 (B) dispatching appropriate public safety agencies to respond
 51 to the calls;

1 after December 31, 2014.

2 (4) Any other matters that the participating PSAP operators or
3 parties described in subsection (f), if any, determine are necessary
4 to ensure that the county does not contain more than the number
5 of PSAPs authorized by subsection (c) after December 31, 2014.

6 (h) This section may not be construed to require a county to contain
7 a PSAP.

8 SECTION 13. [EFFECTIVE JANUARY 1, 2008
9 (RETROACTIVE)] (a) **IC 6-1.1-10-24, as amended by this act,
10 applies to IC 6-1.1-11-4, as amended by this act, as if both
11 provisions had been in effect on January 1, 2008.**

12 (b) **This SECTION expires January 1, 2013.**

13 SECTION 14. [EFFECTIVE JANUARY 1, 2008
14 (RETROACTIVE)] (a) **With respect to an assessment date (as
15 defined in IC 6-1.1-1-2) occurring after December 31, 2009, and
16 before January 1, 2013, the definition of "fraternity or sorority"
17 set forth in IC 6-1.1-10-24, as amended by this act, includes a
18 limited liability company whose members are predominantly
19 fraternities, sororities, or foundations related to fraternities or
20 sororities.**

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

26 (c) **This SECTION expires January 1, 2013.**

27 SECTION 15. [EFFECTIVE JANUARY 1, 2008
28 (RETROACTIVE)] (a) **This SECTION applies to a taxpayer,
29 notwithstanding IC 6-1.1-3, IC 6-1.1-11, IC 6-1.1-17, IC 6-1.1-37,
30 50 IAC 4.2, 50 IAC 16, or any other statute or administrative rule.**

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

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

37 (d) **A taxpayer, after February 13, 2011, but before February
38 26, 2011, may file or refile in person or in any other manner
39 consistent with IC 6-1.1-36-1.5:**

40 (1) **a Form 136 property tax exemption application, along
41 with any supporting documents, schedules, or attachments,
42 claiming an exemption from real property taxes or personal
43 property taxes, or both under IC 6-1.1-10-16 or
44 IC 6-1.1-10-24, as amended by this act, for any assessment
45 date described in subsection (b); and**

46 (2) **a personal property tax return, along with any supporting
47 documents, schedules, or attachments, relating to any
48 personal property under IC 6-1.1-10-16 or IC 6-1.1-10-24, as
49 amended by this act, for any assessment date for which an
50 exemption is claimed on a Form 136 property tax exemption
51 application that is filed under this subsection.**

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

3 (1) is, subject to this SECTION, allowed; and

4 (2) is considered to have been timely filed.

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

11 (1) the taxpayer is entitled to the exemptions from real
12 property taxes or personal property taxes, or both, as claimed
13 on the property tax exemption applications filed or refiled by
14 the taxpayer under subsection (d); and

15 (2) the taxpayer is not required to pay any property taxes,
16 penalties, or interest with respect to the exempt property.

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

24 (h) This SECTION expires January 1, 2013.

25 SECTION 16. [EFFECTIVE JANUARY 1, 2010
26 (RETROACTIVE)] (a) This SECTION applies to a taxpayer
27 notwithstanding IC 6-1.1-11 or any other law or administrative
28 rule or provision.

29 (b) This SECTION applies to the March 1, 2010, and March 1,
30 2011, assessment dates.

31 (c) As used in this SECTION, "taxpayer" refers to a
32 corporation that:

33 (1) is a medical society with members who are predominantly
34 physicians residing or practicing in the county or municipality
35 where the property described in subsection (d) is located or an
36 adjacent county;

37 (2) is exempt from federal income taxes under Section 501 of
38 the Internal Revenue Code; and

39 (3) filed a timely exemption application from property
40 taxation for eligible property described in subsection (d) for
41 the March 1, 2010, assessment date.

42 (d) As used in this SECTION, "eligible property" means real
43 and personal property owned by the taxpayer that:

44 (1) was granted a full or partial exemption from property
45 taxation for the March 1, 2008, and March 1, 2009,
46 assessment dates, regardless of the parcel or key numbers
47 used to identify the property; and

48 (2) is occupied and predominantly used by the taxpayer or a
49 nonprofit foundation affiliated with the taxpayer for the
50 nonprofit purposes of the taxpayer or a nonprofit foundation
51 affiliated with the taxpayer on an assessment date subject to

1 **this SECTION.**

2 **The term includes property used by the taxpayer or a nonprofit**
 3 **foundation affiliated with the taxpayer for parking purposes. The**
 4 **term does not include areas or parts of property that are leased to**
 5 **a for-profit entity.**

6 **(e) A property tax exemption application referred to in**
 7 **subsection (c)(3) is allowed, regardless of the parcel or key**
 8 **numbers used to identify the property. The eligible property is**
 9 **considered tangible property owned, occupied, and used for the**
 10 **educational, scientific, or charitable purposes described in**
 11 **IC 6-1.1-10-16. Taxpayer's property tax exemption application**
 12 **referred to in subsection (c)(3) is considered to have been filed**
 13 **properly for an educational, scientific, or charitable use under**
 14 **IC 6-1.1-10-16. The property tax exemptions allowed by this**
 15 **SECTION shall be applied regardless of whether the taxpayer's**
 16 **exemption application referred to in subsection (c)(3) was granted**
 17 **or denied and regardless of whether or how any denials of the**
 18 **requested exemptions were appealed or otherwise challenged by**
 19 **the taxpayer.**

20 **(f) A taxpayer is entitled to a one hundred percent (100%)**
 21 **exemption under IC 6-1.1-10-16 from property taxation for the**
 22 **taxpayer's eligible property and is not required to pay property**
 23 **taxes, penalties, or interest with respect to the eligible property for**
 24 **the assessment dates described in subsection (b).**

25 **(g) The auditor of the county in which the property is located**
 26 **shall apply the exemption allowed by this SECTION based upon**
 27 **the taxpayer's exemption application referred to in subsection**
 28 **(c)(3) and any additional documents or materials provided by the**
 29 **taxpayer. The exemption allowed by this SECTION shall be**
 30 **applied without need of any further ruling or action by the county**
 31 **assessor or the county property tax assessment board of appeals of**
 32 **the county in which the property is located or by the Indiana board**
 33 **of tax review. Any actions by the county assessor or the county**
 34 **property tax assessment board of appeals of the county in which**
 35 **the property is located or by the Indiana board of tax review that**
 36 **are contrary to or inconsistent with the intent of this SECTION are**
 37 **invalid, null, and void.**

38 **(h) This SECTION expires December 31, 2012.**

39 **SECTION 17. [EFFECTIVE JANUARY 1, 2008**
 40 **(RETROACTIVE)] (a) This SECTION applies to a taxpayer**
 41 **notwithstanding IC 6-1.1-11 or any other law or administrative**
 42 **rule or provision.**

43 **(b) This SECTION applies to an assessment date (as defined in**
 44 **IC 6-1.1-1-2) occurring in 2010 or 2011.**

45 **(c) As used in this SECTION, "taxpayer" refers to an Indiana**
 46 **nonprofit corporation that:**

47 **(1) owns real property used as part of or in connection with a**
 48 **church, worship services, and other religious, educational,**
 49 **charitable, civic, or cultural activities;**

50 **(2) as of the assessment dates referred to in subsection (b),**
 51 **leases or rents part of the real property to another Indiana**

1 **nonprofit corporation that is exempt from federal income tax**
 2 **under Section 501(c)(3) of the Internal Revenue Code and**
 3 **classified as other than a private foundation under Section**
 4 **509(a)(3) of the Internal Revenue Code, and the leased or**
 5 **rented property is used as a center for the arts, including**
 6 **using the leased or rented property for exhibit space, gallery**
 7 **events, and subleasing to artists and art support groups; and**
 8 **(3) filed on or by May 17, 2010, an exemption application**
 9 **from property taxation for eligible property described in**
 10 **subsection (d) for the March 1, 2010, assessment date.**

11 **(d) As used in this SECTION, "eligible property" means real**
 12 **property owned by the taxpayer:**

13 **(1) that was granted a full or partial exemption from property**
 14 **taxation for an assessment date prior to the assessment dates**
 15 **referred to in subsection (b); and**

16 **(2) for which a one hundred percent (100%) real property tax**
 17 **exemption for the March 1, 2010, assessment date was denied.**

18 **(e) A property tax exemption application referred to in**
 19 **subsection (c)(3):**

20 **(1) is, subject to this SECTION, allowed; and**

21 **(2) is considered to have been timely and properly filed for a**
 22 **religious, educational, or charitable use under IC 6-1.1-10-16.**

23 **The eligible property is considered tangible property owned,**
 24 **occupied, and used for the religious, educational, or charitable**
 25 **purposes described in IC 6-1.1-10-16. The property tax exemption**
 26 **allowed by this SECTION shall be applied regardless of whether**
 27 **the taxpayer's exemption application referred to in subsection**
 28 **(c)(3) was granted or denied in whole or in part and regardless of**
 29 **whether or how any denials of the requested exemption were**
 30 **appealed or otherwise challenged by the taxpayer.**

31 **(f) A taxpayer is entitled to a one hundred percent (100%)**
 32 **exemption under IC 6-1.1-10-16 from property taxation for the**
 33 **taxpayer's eligible property and is not required to pay property**
 34 **taxes, penalties, or interest with respect to the eligible property for**
 35 **the assessment dates referred to in subsection (b). The exemption**
 36 **allowed by this SECTION shall be applied without the need for any**
 37 **further ruling or action by the county assessor or the county**
 38 **property tax assessment board of appeals of the county in which**
 39 **the property is located or by the Indiana board of tax review. Any**
 40 **actions by the county assessor or the county property tax**
 41 **assessment board of appeals of the county in which the property is**
 42 **located or by the Indiana board of tax review that are contrary to**
 43 **or inconsistent with the intent of this SECTION are invalid, null,**
 44 **and void.**

45 **(g) This SECTION expires December 31, 2012.**

46 **SECTION 18. [EFFECTIVE UPON PASSAGE] (a) As used in this**
 47 **SECTION, "board" refers to the county property tax assessment**
 48 **board of appeals.**

49 **(b) This SECTION applies to an organization that:**

50 **(1) is located in a county containing a consolidated city;**

51 **(2) is dedicated to providing services to the community,**

1 including direct aid, nutrition assistance, job training and
2 counseling, and safe, high quality after school activities;
3 (3) is not eligible for a property tax exemption under
4 IC 6-1.1-10-16 and IC 6-1.1-10-24 for certain parcels of
5 property for property taxes first due and payable in 2009,
6 2010, and 2011 because the entity failed to timely file an
7 application under IC 6-1.1-11-3.5; and
8 (4) filed an application under IC 6-1.1-11 for exemption from
9 property taxes first due and payable in 2007 on the same
10 parcels of property, which exemption was approved by the
11 board.

12 (c) An organization described in subsection (b) is entitled to an
13 exemption from property taxes on the organizations's property for
14 property taxes first due and payable in 2009, 2010, and 2011 in the
15 same percentage approved by the board with respect to the
16 organization's exemption application described in subsection
17 (b)(4).

18 (d) The county shall return to the organization the title of any
19 parcels of the organization's property that have been included in
20 a tax sale under IC 6-1.1 and that are entitled to an exemption
21 under subsection (c).

22 (e) This SECTION expires January 1, 2013.

23 SECTION 19. An emergency is declared for this act.

(Reference is to EHB 1007 as reprinted April 21, 2011, Digest
Correction.)

Conference Committee Report
on
Engrossed House Bill 1007

Signed by:

Representative Turner
Chairperson

Senator Hershman

Representative Reske

Senator Skinner

House Conferees

Senate Conferees