# SENATE BILL No. 233

DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1-4-4.3.

**Synopsis:** Homestead assessed value growth cap. Limits the annual increase in assessed value of a homestead to 5% unless: (1) ownership of the homestead changes during the year; or (2) the increase results from physical changes to the homestead.

**Effective:** January 1, 2012.

**Zakas**

January 6, 2011, read first time and referred to Committee on Appropriations.

C o p y

Introduced

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.

C o p y

# SENATE BILL No. 233

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

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

SECTION 1. IC 6-1.1-4-4.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2012]: **Sec. 4.3. (a) As used in this section, "homestead" has the meaning set forth in IC 6-1.1-12-37.**

**(b) Except as provided in subsection (c) and subject to subsection (d), for assessment dates after 2011, the assessed value of a homestead for an assessment date may not exceed the product of:**

**(1) the assessed value of the homestead for the immediately preceding assessment date; multiplied by**

**(2) one hundred five percent (105%).**

**(c) Subsection (b) does not apply for an assessment date if:**

**(1) the entire ownership interest; or**

**(2) any part of the ownership interest;**

**in the homestead changes on or before that assessment date and after the immediately preceding assessment date.**

**(d) Subsection (b):**

**(1) applies only to the extent that the increase in the assessed value of the homestead is attributable to:**

**(A) an annual adjustment under section 4.5 of this chapter; or**

**(B) the application in:**

**(i) a general reassessment under section 4 of this chapter; or**

**(ii) an assessment determined for the assessment date in a year other than a year in which a general assessment under section 4 of this chapter first applies;**

**of factors other than the recognition of one (1) or more physical changes to the property; and**

**(2) does not apply to the extent that the increase is attributable to the recognition of one (1) or more physical changes to the property.**

**(e) The department of local government finance shall adopt rules under IC 4-22-2 to implement this section.**

C o p y