



February 21, 2012

**ENGROSSED
HOUSE BILL No. 1190**

DIGEST OF HB 1190 (Updated February 16, 2012 12:16 pm - DI 58)

Citations Affected: IC 6-1.1; IC 33-26; IC 36-2; IC 36-6; IC 36-7.

Synopsis: Real property reassessment. Specifies that the soil productivity factors used for March 1, 2011, shall be used for the March 1, 2012, assessment date, instead of the new factors determined by the DLGF for March 1, 2012. Requires the county assessor of each county before July 1, 2013, and before July 1 of every fourth year thereafter to prepare and submit to the department of local government finance (DLGF) a reassessment plan for the county. Specifies that the reassessment plan is subject to approval by the DLGF. Requires the DLGF to complete its review and approval of the reassessment plan before March 1 of the year following the year in which the reassessment plan is submitted by the county. Provides that subject to review and approval by the DLGF, the county assessor may modify a reassessment plan. Provides that the reassessment plan must divide all parcels of real property in the county into different groups of parcels. Requires that each group of parcels must contain at least 25% of the parcels within each class of real property in the county. Requires the assessor to submit land values to the county property tax assessment board of appeals by the dates specified in the county's reassessment (Continued next page)

Effective: February 29, 2012 (retroactive); July 1, 2012; January 1, 2013.

Crouch, Thompson, Welch

(SENATE SPONSOR — HERSHMAN)

January 9, 2012, read first time and referred to Committee on Ways and Means.
January 23, 2012, reported — Do Pass.
January 26, 2012, read second time, ordered engrossed. Engrossed.
January 27, 2012, read third time, passed. Yeas 90, nays 1.

SENATE ACTION

February 1, 2012, read first time and referred to Committee on Appropriations.
February 20, 2012, amended, reported favorably — Do Pass.

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Digest Continued

plan. Requires the reassessment of the first group of parcels under a county's reassessment plan to begin July 1, 2014, and be completed on or before March 1, 2015. Specifies procedures for taxpayers to petition the DLGF for reassessment of parcels in a group and a schedule for completion of reassessment of parcels in a group. Provides that the notice of assessment that must be sent to taxpayers by assessing officials is in addition to any required notice of assessment included in a property tax statement. Specifies that the assessing official may provide the notice by mail or by using electronic mail that includes a secure Internet link to the information in the notice. Changes population parameters to reflect the population count determined under the 2010 decennial census. Makes technical corrections.

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February 21, 2012

Second Regular Session 117th General Assembly (2012)

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 2011 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1190

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 6-1.1-4-4, AS AMENDED BY P.L.182-2009(ss),
2 SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2012]: Sec. 4. (a) A general reassessment, involving a
4 physical inspection of all real property in Indiana, shall begin July 1,
5 2010. ~~and each fifth year thereafter. Each~~ **The** reassessment under this
6 subsection:
7 (1) shall be completed on or before March 1, ~~of the year that~~
8 ~~succeeds by two (2) years the year in which the general~~
9 ~~reassessment begins; 2012;~~ and
10 (2) shall be the basis for taxes payable in ~~the year following the~~
11 ~~year in which the general assessment is to be completed. 2013.~~
12 (b) In order to ensure that assessing officials are prepared for a
13 general reassessment of real property, the department of local
14 government finance shall give adequate advance notice of the general
15 reassessment to the assessing officials of each county.
16 (c) ~~For a general reassessment that begins on or after July 1, 2010;~~
17 ~~the assessed value of real property shall be based on the estimated true~~

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1 tax value of the property on the assessment date that is the basis for
2 taxes payable in the year following the year in which the general
3 reassessment is to be completed.

4 SECTION 2. IC 6-1.1-4-4.2 IS ADDED TO THE INDIANA CODE
5 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
6 1, 2012]: Sec. 4.2. (a) The county assessor of each county shall,
7 before July 1, 2013, and before July 1 of every fourth year
8 thereafter, prepare and submit to the department of local
9 government finance a reassessment plan for the county. The
10 following apply to a reassessment plan prepared and submitted
11 under this section:

12 (1) The reassessment plan is subject to approval by the
13 department of local government finance. The department of
14 local government finance shall complete its review and
15 approval of the reassessment plan before March 1 of the year
16 following the year in which the reassessment plan is submitted
17 by the county.

18 (2) The department of local government finance shall
19 determine the classes of real property to be used for purposes
20 of this section.

21 (3) Except as provided in subsection (b), the reassessment plan
22 must divide all parcels of real property in the county into four
23 (4) different groups of parcels. Each group of parcels must
24 contain approximately twenty-five percent (25%) of the
25 parcels within each class of real property in the county.

26 (5) Except as provided in subsection (b), all real property in
27 each group of parcels shall be reassessed under the county's
28 reassessment plan once during each four (4) year cycle.

29 (6) The reassessment of a group of parcels in a particular
30 class of real property must begin on July 1 of a year.

31 (7) The reassessment of parcels:

32 (A) must include a physical inspection of each parcel of
33 real property in the group of parcels that is being
34 reassessed; and

35 (B) must be completed on or before March 1 of the year
36 after the year in which the reassessment of the group of
37 parcels begins.

38 (8) For real property included in a group of parcels that is
39 reassessed, the reassessment is the basis for taxes payable in
40 the year following the year in which the reassessment is to be
41 completed.

42 (9) The reassessment plan must specify the dates by which the

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1 assessor must submit land values under section 13.6 of this
2 chapter to the county property tax assessment board of
3 appeals.

4 **(10) Subject to review and approval by the department of**
5 **local government finance, the county assessor may modify the**
6 **reassessment plan.**

7 **(b) A county may submit a reassessment plan that provides for**
8 **reassessing more than twenty-five percent (25%) of all parcels of**
9 **real property in the county in a particular year. A plan may**
10 **provide that all parcels are to be reassessed in one (1) year.**
11 **However, a plan must cover a four (4) year period. All real**
12 **property in each group of parcels must be reassessed under the**
13 **county's reassessment plan once during each reassessment cycle.**

14 **(c) The reassessment of the first group of parcels under a**
15 **county's reassessment plan shall begin on July 1, 2014, and must be**
16 **completed on or before March 1, 2015.**

17 SECTION 3. IC 6-1.1-4-4.5, AS AMENDED BY P.L.112-2010,
18 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 JANUARY 1, 2013]: Sec. 4.5. (a) The department of local government
20 finance shall adopt rules establishing a system for annually adjusting
21 the assessed value of real property to account for changes in value in
22 those years since a ~~general~~ reassessment **of under section 4 or 4.2 of**
23 **this chapter for the** property last took effect.

24 (b) Subject to subsection (e), the system must be applied to adjust
25 assessed values beginning with the 2006 assessment date and each year
26 thereafter that is not a year in which a reassessment **under section 4 or**
27 **4.2 of this chapter for the property** becomes effective.

28 (c) The rules adopted under subsection (a) must include the
29 following characteristics in the system:

30 (1) Promote uniform and equal assessment of real property within
31 and across classifications.

32 (2) Require that assessing officials:

33 (A) reevaluate the factors that affect value;

34 (B) express the interactions of those factors mathematically;

35 (C) use mass appraisal techniques to estimate updated property
36 values within statistical measures of accuracy; and

37 (D) provide notice to taxpayers of an assessment increase that
38 results from the application of annual adjustments.

39 (3) Prescribe procedures that permit the application of the
40 adjustment percentages in an efficient manner by assessing
41 officials.

42 (d) The department of local government finance must review and

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1 certify each annual adjustment determined under this section.

2 (e) In making the annual determination of the base rate to satisfy the
3 requirement for an annual adjustment under subsection (c) for current
4 property taxes first due and payable in 2011 and thereafter, the
5 department of local government finance shall determine the base rate
6 using the methodology reflected in Table 2-18 of Book 1, Chapter 2 of
7 the department of local government finance's Real Property Assessment
8 Guidelines (as in effect on January 1, 2005), except that the department
9 shall adjust the methodology to:

- 10 (1) use a six (6) year rolling average adjusted under subdivision
11 (2) instead of a four (4) year rolling average; and
12 (2) eliminate in the calculation of the rolling average the year
13 among the six (6) years for which the highest market value in use
14 of agricultural land is determined.

15 (f) For assessment dates after December 31, 2009, an adjustment in
16 the assessed value of real property under this section shall be based on
17 the estimated true tax value of the property on the assessment date that
18 is the basis for taxes payable on that real property.

19 SECTION 4. IC 6-1.1-4-5, AS AMENDED BY P.L.113-2010,
20 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JANUARY 1, 2013]: Sec. 5. (a) A petition for the reassessment of a
22 real property **that is subject to reassessment under section 4 of this**
23 **chapter and** situated within a township may be filed with the
24 department of local government finance on or before March 31st ~~31~~
25 any year which is not a general election year and in which no general
26 reassessment of real property is made. A petition for reassessment of
27 real property applies only to the most recent real property assessment
28 date.

29 (b) The petition for reassessment must be signed by not less than the
30 following percentage of all the owners of taxable real property who
31 reside in the township:

- 32 (1) fifteen percent (15%) for a township which does not contain
33 an incorporated city or town;
34 (2) five percent (5%) for a township containing all or part of an
35 incorporated city or town which has a population of five thousand
36 (5,000) or less;
37 (3) four percent (4%) for a township containing all or part of an
38 incorporated city which has a population of more than five
39 thousand (5,000) but not exceeding ten thousand (10,000);
40 (4) three percent (3%) for a township containing all or part of an
41 incorporated city which has a population of more than ten
42 thousand (10,000) but not exceeding fifty thousand (50,000);



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- 1 (5) two percent (2%) for a township containing all or part of an
- 2 incorporated city which has a population of more than fifty
- 3 thousand (50,000) but not exceeding one hundred fifty thousand
- 4 (150,000); or
- 5 (6) one percent (1%) for a township containing all or part of an
- 6 incorporated city which has a population of more than one
- 7 hundred fifty thousand (150,000).

8 The signatures on the petition must be verified by the oath of one (1)
 9 or more of the signers. A certificate of the county auditor stating that
 10 the signers constitute the required number of resident owners of taxable
 11 real property of the township must accompany the petition.

12 (c) Upon receipt of a petition under subsection (a), the department
 13 of local government finance may order a reassessment under section 9
 14 of this chapter or conduct a reassessment under section 31.5 of this
 15 chapter.

16 SECTION 5. IC 6-1.1-4-5.5 IS ADDED TO THE INDIANA CODE
 17 AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE
 18 JANUARY 1, 2013]: **Sec. 5.5. (a) A petition for the reassessment of**
 19 **a real property group designated under a county's reassessment**
 20 **plan prepared under section 4.2 of this chapter may be filed with**
 21 **the department of local government finance not later than**
 22 **forty-five (45) days after notice of assessment. A petition for**
 23 **reassessment of real property applies only to the most recent real**
 24 **property assessment date.**

25 (b) **The petition for reassessment must be signed by the lesser of**
 26 **one hundred (100) owners of parcels in the group or five percent**
 27 **(5%) of owners of parcels in the group. The signatures on the**
 28 **petition must be verified by the oath of one (1) or more of the**
 29 **signers. A certificate of the county auditor stating that the signers**
 30 **constitute the required number of owners of taxable real property**
 31 **in the group of parcels must accompany the petition.**

32 (c) **Upon receipt of a petition under subsection (a), the**
 33 **department of local government finance may order a reassessment**
 34 **under section 9 of this chapter or conduct a reassessment under**
 35 **section 31.5 of this chapter.**

36 SECTION 6. IC 6-1.1-4-6 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 6. If the
 38 department of local government finance determines that a petition filed
 39 under section 5 or 5.5 of this chapter has been signed by the required
 40 number of petitioners and that the present assessed value of any real
 41 property is inequitable, the department of local government finance
 42 shall order a reassessment of the real property ~~which has been~~

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1 ~~inequitably assessed. for which the petition was filed.~~ The order shall
 2 specify the time within which the reassessment shall be completed and
 3 the date on which the reassessment shall become effective.

4 SECTION 7. IC 6-1.1-4-9 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 9. In order to
 6 maintain a just and equitable valuation of real property, the department
 7 of local government finance may adopt a resolution declaring its belief
 8 that it is necessary to reassess all or a portion of the real property
 9 located within this state. If the department of local government finance
 10 adopts a reassessment resolution and if either a township or a larger
 11 area is involved (**for assessments before March 1, 2015) or one (1)**
 12 **or more groups of parcels under the county's reassessment plan**
 13 **are involved (for assessments after February 28, 2015),** the
 14 department shall hold a hearing concerning the necessity for the
 15 reassessment at the courthouse of the county in which the property is
 16 located. The department of local government finance shall give notice
 17 of the time and place of the hearing in the manner provided in section
 18 10 of this chapter. After the hearing, or if the area involved is less than
 19 a township (**for assessments before March 1, 2015) or is less than**
 20 **one (1) group of parcels under the county's reassessment plan (for**
 21 **assessments after February 28, 2015),** after the adoption of the
 22 resolution of the department of local government finance, the
 23 department may order any reassessment it deems necessary. The order
 24 shall specify the time within which the reassessment must be
 25 completed and the date the reassessment will become effective.

26 SECTION 8. IC 6-1.1-4-12.4, AS AMENDED BY P.L.146-2008,
 27 SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JANUARY 1, 2013]: Sec. 12.4. (a) For purposes of this section, the
 29 term "oil or gas interest" includes but is not limited to:

- 30 (1) royalties;
- 31 (2) overriding royalties;
- 32 (3) mineral rights; or
- 33 (4) working interest;

34 in any oil or gas located on or beneath the surface of land which lies
 35 within this state.

36 (b) Oil or gas interest is subject to assessment and taxation as real
 37 property. Notwithstanding section 4 **or 4.2** of this chapter, each oil or
 38 gas interest shall be assessed annually by the assessor of the township
 39 in which the oil or gas is located, or the county assessor if there is no
 40 township assessor for the township. The township or county assessor
 41 shall assess the oil or gas interest to the person who owns or operates
 42 the interest.



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1 (c) A piece of equipment is an appurtenance to land if it is incident
 2 to and necessary for the production of oil and gas from the land
 3 covered by the oil or gas interest. This equipment includes but is not
 4 limited to wells, pumping units, lines, treaters, separators, tanks, and
 5 secondary recovery facilities. These appurtenances are subject to
 6 assessment as real property. Notwithstanding section 4 or 4.2 of this
 7 chapter, each of these appurtenances shall be assessed annually by the
 8 assessor of the township in which the appurtenance is located, or the
 9 county assessor if there is no township assessor for the township. The
 10 township or county assessor shall assess the appurtenance to the person
 11 who owns or operates the working interest in the oil or gas interest.

12 SECTION 9. IC 6-1.1-4-13 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE FEBRUARY 29, 2012 (RETROACTIVE)]:
 14 Sec. 13. (a) In assessing or reassessing land, the land shall be assessed
 15 as agricultural land only when it is devoted to agricultural use.

16 (b) The department of local government finance shall give written
 17 notice to each county assessor of:

18 (1) the availability of the United States Department of
 19 Agriculture's soil survey data; and

20 (2) the appropriate soil productivity factor for each type or
 21 classification of soil shown on the United States Department of
 22 Agriculture's soil survey map.

23 All assessing officials and the property tax assessment board of appeals
 24 shall use the data in determining the true tax value of agricultural land.

25 **However, notwithstanding the availability of new soil productivity**
 26 **factors and the department of local government finance's notice of**
 27 **the appropriate soil productivity factor for each type or**
 28 **classification of soil shown on the United States Department of**
 29 **Agriculture's soil survey map for the March 1, 2012, assessment**
 30 **date, the soil productivity factors used for the March 1, 2011,**
 31 **assessment date shall be used for the March 1, 2012, assessment**
 32 **date. New soil productivity factors shall be used for assessment**
 33 **dates occurring after March 1, 2012.**

34 (c) The department of local government finance shall by rule
 35 provide for the method for determining the true tax value of each parcel
 36 of agricultural land.

37 (d) This section does not apply to land purchased for industrial,
 38 commercial, or residential uses.

39 SECTION 10. IC 6-1.1-4-13.6, AS AMENDED BY P.L.113-2010,
 40 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JANUARY 1, 2013]: Sec. 13.6. (a) The county assessor shall determine
 42 the values of all classes of commercial, industrial, and residential land

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1 (including farm homesites) in the county using guidelines determined
 2 by the department of local government finance. ~~Not later than July 1,~~
 3 ~~2011, and every fourth year thereafter,~~ The assessor determining the
 4 values of land shall submit the values to the county property tax
 5 assessment board of appeals **by the dates specified in the county's**
 6 **reassessment plan under section 4.2 of this chapter.**

7 (b) If the county assessor fails to determine land values under
 8 subsection (a) before the ~~July 1 deadline,~~ **deadlines in the county's**
 9 **reassessment plan under section 4.2 of this chapter,** the county
 10 property tax assessment board of appeals shall determine the values. If
 11 the county property tax assessment board of appeals fails to determine
 12 the values before the land values become effective, the department of
 13 local government finance shall determine the values.

14 (c) The county assessor shall notify all township assessors in the
 15 county (if any) of the values. Assessing officials shall use the values
 16 determined under this section.

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

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

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

- 26 (1) shall review the land values determined by the county
- 27 assessor; and
- 28 (2) after a public hearing, shall:
 - 29 (A) approve;
 - 30 (B) modify; or
 - 31 (C) disapprove;
- 32 the land values.

33 SECTION 11. IC 6-1.1-4-16, AS AMENDED BY P.L.146-2008,
 34 SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JANUARY 1, 2013]: Sec. 16. (a) For purposes of making a ~~general~~
 36 reassessment of real property **under section 4 or 4.2 of this chapter**
 37 or annual adjustments under section 4.5 of this chapter, a township
 38 assessor (if any) and a county assessor may employ:

- 39 (1) deputies;
- 40 (2) employees; and
- 41 (3) technical advisors who are:
 - 42 (A) qualified to determine real property values;



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1 (B) professional appraisers certified under 50 IAC 15; and
 2 (C) employed either on a full-time or a part-time basis, subject
 3 to sections 18.5 and 19.5 of this chapter.
 4 (b) The county council of each county shall appropriate the funds
 5 necessary for the employment of deputies, employees, or technical
 6 advisors employed under subsection (a). ~~of this section.~~
 7 SECTION 12. IC 6-1.1-4-17, AS AMENDED BY P.L.182-2009(ss),
 8 SECTION 87, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JANUARY 1, 2013]: Sec. 17. (a) Subject to the approval of the
 10 department of local government finance and the requirements of
 11 section 18.5 of this chapter, a county assessor may employ professional
 12 appraisers as technical advisors for assessments in all townships in the
 13 county. The department of local government finance may approve
 14 employment under this subsection only if the department is a party to
 15 the employment contract and any addendum to the employment
 16 contract.
 17 (b) A decision by a county assessor to not employ a professional
 18 appraiser as a technical advisor in a ~~general~~ reassessment **under**
 19 **section 4 or 4.2 of this chapter** is subject to approval by the
 20 department of local government finance.
 21 (c) As used in this chapter, "professional appraiser" means an
 22 individual or firm that is certified under IC 6-1.1-31.7.
 23 SECTION 13. IC 6-1.1-4-20, AS AMENDED BY P.L.146-2008,
 24 SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JANUARY 1, 2013]: Sec. 20. The department of local government
 26 finance may establish a period, with respect to each ~~general~~
 27 reassessment **under section 4 or 4.2 of this chapter**, that is the only
 28 time during which a county assessor may enter into a contract with a
 29 professional appraiser. ~~The period set by the department of local~~
 30 ~~government finance may not begin before January 1 of the year the~~
 31 ~~general reassessment begins. If no period is established by the~~
 32 ~~department of local government finance, a county assessor may enter~~
 33 ~~into such a contract only on or after January 1 and before April 16 of~~
 34 ~~the year in which the general reassessment is to commence.~~
 35 SECTION 14. IC 6-1.1-4-21, AS AMENDED BY P.L.146-2008,
 36 SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 JULY 1, 2012]: Sec. 21. (a) If during a period of general reassessment
 38 **under section 4 of this chapter** a county assessor personally makes
 39 the real property appraisals, the appraisals of the parcels subject to
 40 taxation must be completed as follows:
 41 (1) The appraisal of one-fourth (1/4) of the parcels shall be
 42 completed before December 1 of the year in which the general

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- 1 reassessment begins.
- 2 (2) The appraisal of one-half (1/2) of the parcels shall be
- 3 completed before May 1 of the year following the year in which
- 4 the general reassessment begins.
- 5 (3) The appraisal of three-fourths (3/4) of the parcels shall be
- 6 completed before October 1 of the year following the year in
- 7 which the general reassessment begins.
- 8 (4) The appraisal of all the parcels shall be completed before
- 9 March 1 of the second year following the year in which the
- 10 general reassessment begins.

11 (b) If a county assessor employs a professional appraiser or a
 12 professional appraisal firm to make real property appraisals during a
 13 period of general reassessment, the professional appraiser or appraisal
 14 firm must file appraisal reports with the county assessor as follows:

- 15 (1) The appraisals for one-fourth (1/4) of the parcels shall be
- 16 reported before December 1 of the year in which the general
- 17 reassessment begins.
- 18 (2) The appraisals for one-half (1/2) of the parcels shall be
- 19 reported before May 1 of the year following the year in which the
- 20 general reassessment begins.
- 21 (3) The appraisals for three-fourths (3/4) of the parcels shall be
- 22 reported before October 1 of the year following the year in which
- 23 the general reassessment begins.
- 24 (4) The appraisals for all the parcels shall be reported before
- 25 March 1 of the second year following the year in which the
- 26 general reassessment begins.

27 However, the reporting requirements prescribed in this subsection do
 28 not apply if the contract under which the professional appraiser, or
 29 appraisal firm, is employed prescribes different reporting procedures.

30 SECTION 15. IC 6-1.1-4-21.4 IS ADDED TO THE INDIANA
 31 CODE AS A NEW SECTION TO READ AS FOLLOWS
 32 [EFFECTIVE JULY 1, 2012]: **Sec. 21.4. (a) The appraisals of the**
 33 **parcels in a group under a county's reassessment plan prepared**
 34 **under section 4.2 of this chapter that are subject to taxation must**
 35 **be completed as follows:**

- 36 (1) The appraisal of one-third (1/3) of the parcels must be
- 37 completed before October 1 of the year in which the group's
- 38 reassessment under the county reassessment plan begins.
- 39 (2) The appraisal of two-thirds (2/3) of the parcels must be
- 40 completed before January 1 of the year following the year in
- 41 which the group's reassessment under the county
- 42 reassessment plan begins.

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1 **(3) The appraisal of all the parcels must be completed before**
2 **March 1 of the year following the year in which the group's**
3 **reassessment under the county reassessment plan begins.**
4 **(b) If a county assessor employs a professional appraiser or a**
5 **professional appraisal firm to make real property appraisals of a**
6 **group of parcels under a county's reassessment plan, the**
7 **professional appraiser or appraisal firm must file appraisal reports**
8 **with the county assessor by the dates set forth in subsection (a).**
9 SECTION 16. IC 6-1.1-4-22, AS AMENDED BY P.L.136-2009,
10 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JANUARY 1, 2013]: Sec. 22. (a) If any assessing official assesses or
12 reassesses any real property under this article **(including an annual**
13 **adjustment under section 4.5 of this chapter)** the official shall give
14 notice to the taxpayer and the county assessor, by mail **or by using**
15 **electronic mail that includes a secure Internet link to the**
16 **information in the notice,** of the amount of the assessment or
17 reassessment.
18 (b) ~~During a period of general reassessment,~~ Each township or
19 county assessor shall ~~mail~~ **provide** the notice required by this section
20 **within by the earlier of:**
21 **(1) ninety (90) days after the assessor:**
22 ~~(+) (A)~~ **(A)** completes the appraisal of a parcel; or
23 ~~(2) (B)~~ **(B)** receives a report for a parcel from a professional
24 appraiser or professional appraisal firm; **or**
25 **(2) April 10 of the year containing the assessment date for**
26 **which the assessment or reassessment first applies.**
27 (c) **The notice required by this section is in addition to any**
28 **required notice of assessment or reassessment included in a**
29 **property tax statement under IC 6-1.1-22 or IC 6-1.1-22.5.**
30 ~~(e)~~ **(d)** The notice required by this section must include notice to the
31 person of the opportunity to appeal the assessed valuation under
32 IC 6-1.1-15-1.
33 ~~(d)~~ **(e)** Notice of the opportunity to appeal the assessed valuation
34 required under subsection ~~(e)~~ **(d)** must include the following:
35 (1) The procedure that a taxpayer must follow to appeal the
36 assessment or reassessment.
37 (2) The forms that must be filed for an appeal of the assessment
38 or reassessment.
39 (3) Notice that an appeal of the assessment or reassessment
40 requires evidence relevant to the true tax value of the taxpayer's
41 property as of the assessment date.
42 SECTION 17. IC 6-1.1-4-27.5, AS AMENDED BY P.L.172-2011,

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1 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JANUARY 1, 2013]: Sec. 27.5. (a) The auditor of each county shall
3 establish a property reassessment fund. The county treasurer shall
4 deposit all collections resulting from the property taxes that the county
5 levies for the county's property reassessment fund.

6 ~~(b) With respect to the general reassessment of real property that is
7 to commence on July 1, 2010, the county council of each county shall,
8 for property taxes due in 2006, 2007, 2008, and 2009, levy in each year
9 against all the taxable property in the county an amount equal to
10 one-fourth (1/4) of the remainder of:~~

11 ~~(1) the estimated costs referred to in section 28.5(a) of this
12 chapter; minus~~

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

15 ~~(c) (b) With respect to a general reassessment of real property that
16 is to commence on July 1, 2015, and each fifth year thereafter, under
17 a county's reassessment plan under section 4.2 of this chapter, the
18 county council of each county shall, for property taxes due in the year
19 that the general reassessment is to commence and the four (4) years
20 preceding that each year, levy against all the taxable property in the
21 county an amount equal to one-fifth (1/5) of the estimated costs of the
22 general reassessment under section 28.5 of this chapter for the group
23 of parcels to be reassessed in that year.~~

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

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

30 ~~(1) a general reassessment of one (1) or more groups of parcels
31 under a county's reassessment plan prepared under section
32 4.2 of this chapter; or~~

33 ~~(2) making annual adjustments under section 4.5 of this chapter;
34 has changed.~~

35 ~~(f) (e) The county assessor may petition the county fiscal body to
36 increase the levy under subsection (b) or (c) to pay for the costs of:~~

37 ~~(1) a general reassessment of one (1) or more groups of parcels
38 under a county's reassessment plan prepared under section
39 4.2 of this chapter;~~

40 ~~(2) verification under 50 IAC 21-3-2 of sales disclosure forms
41 forwarded to the county assessor under IC 6-1.1-5.5-3; or~~

42 ~~(3) processing annual adjustments under section 4.5 of this~~

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1 chapter.
 2 The assessor must document the needs and reasons for the increased
 3 funding.
 4 ~~(g)~~ **(f)** If the county fiscal body denies a petition under subsection
 5 ~~(f)~~; **(e)**, the county assessor may appeal to the department of local
 6 government finance. The department of local government finance shall:
 7 (1) hear the appeal; and
 8 (2) determine whether the additional levy is necessary.
 9 SECTION 18. IC 6-1.1-4-28.5, AS AMENDED BY P.L.146-2008,
 10 SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JANUARY 1, 2013]: Sec. 28.5. (a) Money assigned to a property
 12 reassessment fund under section 27.5 of this chapter may be used only
 13 to pay the costs of:
 14 (1) the general reassessment of real property **under section 4 of**
 15 **this chapter or reassessment of one (1) or more groups of**
 16 **parcels under a county's reassessment plan prepared under**
 17 **section 4.2 of this chapter**, including the computerization of
 18 assessment records;
 19 (2) payments to assessing officials and hearing officers for county
 20 property tax assessment boards of appeals under IC 6-1.1-35.2;
 21 (3) the development or updating of detailed soil survey data by
 22 the United States Department of Agriculture or its successor
 23 agency;
 24 (4) the updating of plat books;
 25 (5) payments for the salary of permanent staff or for the
 26 contractual services of temporary staff who are necessary to assist
 27 assessing officials;
 28 (6) making annual adjustments under section 4.5 of this chapter;
 29 and
 30 (7) the verification under 50 IAC 21-3-2 of sales disclosure forms
 31 forwarded to:
 32 (A) the county assessor; or
 33 (B) township assessors (if any);
 34 under IC 6-1.1-5.5-3.
 35 Money in a property tax reassessment fund may not be transferred or
 36 reassigned to any other fund and may not be used for any purposes
 37 other than those set forth in this section.
 38 (b) All counties shall use modern, detailed soil maps in the ~~general~~
 39 reassessment of agricultural land.
 40 (c) The county treasurer of each county shall, in accordance with
 41 IC 5-13-9, invest any money accumulated in the property reassessment
 42 fund. Any interest received from investment of the money shall be paid

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1 into the property reassessment fund.
 2 (d) An appropriation under this section must be approved by the
 3 fiscal body of the county after the review and recommendation of the
 4 county assessor. However, in a county with a township assessor in
 5 every township, the county assessor does not review an appropriation
 6 under this section, and only the fiscal body must approve an
 7 appropriation under this section.
 8 SECTION 19. IC 6-1.1-4-29, AS AMENDED BY P.L.146-2008,
 9 SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JANUARY 1, 2013]: Sec. 29. (a) The expenses of a reassessment,
 11 except those incurred by the department of local government finance
 12 in performing its normal functions, shall be paid by the county in which
 13 the reassessed property is situated. These expenses, except for the
 14 expenses of:
 15 (1) a general reassessment of real property under section 4 of
 16 this chapter; or
 17 (2) reassessment of a group of parcels under a county's
 18 reassessment plan prepared under section 4.2 of this chapter;
 19 shall be paid from county funds. The county auditor shall issue
 20 warrants for the payment of reassessment expenses. No prior
 21 appropriations are required in order for the auditor to issue warrants.
 22 (b) An order of the department of local government finance
 23 directing the reassessment of property shall contain an estimate of the
 24 cost of making the reassessment. The assessing officials in the county,
 25 the county property tax assessment board of appeals, and the county
 26 auditor may not exceed the amount so estimated by the department of
 27 local government finance.
 28 SECTION 20. IC 6-1.1-4-30 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 30. (a) In making
 30 any assessment or reassessment of real property in the interim between
 31 general reassessments **under section 4 of this chapter**, the rules,
 32 regulations, and standards for assessment are the same as those used in
 33 the preceding general reassessment.
 34 (b) **In making any assessment or reassessment of real property**
 35 **between reassessments of that real property under a county's**
 36 **reassessment plan prepared under section 4.2 of this chapter, the**
 37 **rules, regulations, and standards for assessment are the same as**
 38 **those used for that real property in the preceding reassessment of**
 39 **that group of parcels under a county's reassessment plan.**
 40 SECTION 21. IC 6-1.1-4-31, AS AMENDED BY P.L.113-2010,
 41 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JANUARY 1, 2013]: Sec. 31. (a) The department of local government

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1 finance shall periodically check the conduct of:
 2 (1) a general reassessment of property **under section 4 of this**
 3 **chapter;**
 4 **(2) a reassessment of a group of parcels under a county's**
 5 **reassessment plan prepared under section 4.2 of this chapter;**
 6 ~~(2) (3)~~ (3) work required to be performed by local officials under 50
 7 IAC 21; and
 8 ~~(3) (4)~~ (4) other property assessment activities in the county, as
 9 determined by the department.
 10 The department of local government finance may inform township
 11 assessors (if any), county assessors, and the presidents of county
 12 councils in writing if its check reveals that the general reassessment,
 13 **the reassessment of a group of parcels under a county's**
 14 **reassessment plan prepared under section 4.2 of this chapter,** or
 15 other property assessment activities are not being properly conducted,
 16 work required to be performed by local officials under 50 IAC 21 is not
 17 being properly conducted, or property assessments are not being
 18 properly made.
 19 (b) The failure of the department of local government finance to
 20 inform local officials under subsection (a) shall not be construed as an
 21 indication by the department that:
 22 (1) the general reassessment **under section 4 of this chapter, a**
 23 **reassessment of a group of parcels under a county's**
 24 **reassessment plan prepared under section 4.2 of this chapter,**
 25 or other property assessment activities are being properly
 26 conducted;
 27 (2) work required to be performed by local officials under 50
 28 IAC 21 is being properly conducted; or
 29 (3) property assessments are being properly made.
 30 (c) If the department of local government finance:
 31 (1) determines under subsection (a) that a general reassessment
 32 **under section 4 of this chapter, a reassessment of a group of**
 33 **parcels under a county's reassessment plan prepared under**
 34 **section 4.2 of this chapter,** or other assessment activities ~~for a~~
 35 ~~general reassessment year or any other year~~ are not being properly
 36 conducted; and
 37 (2) informs:
 38 (A) the township assessor (if any) of each affected township;
 39 (B) the county assessor; and
 40 (C) the president of the county council;
 41 in writing under subsection (a);
 42 the department may order a state conducted assessment or reassessment

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1 under section 31.5 of this chapter to begin not less than sixty (60) days
2 after the date of the notice under subdivision (2).

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

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

7 (2) informs:

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

9 (B) the county assessor; and

10 (C) the president of the county council;

11 in writing under subsection (a);

12 the department may conduct the work or contract to have the work
13 conducted to begin not less than sixty (60) days after the date of the
14 notice under subdivision (2). If the department determines during the
15 period between the date of the notice under subdivision (2) and the
16 proposed date for beginning the work or having the work conducted
17 that work required to be performed by local officials under 50 IAC 21
18 is being properly conducted, the department may rescind the order.

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

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

29 (1) Determine that:

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

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

35 (2) Determine that:

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

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

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

5 SECTION 22. IC 6-1.1-4-31.5, AS AMENDED BY P.L.146-2008,
6 SECTION 82, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JANUARY 1, 2013]: Sec. 31.5. (a) As used in this section,
8 "department" refers to the department of local government finance.

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

13 (c) If the department orders a state conducted assessment or
14 reassessment in a county, the department shall assume the duties of the
15 county assessor. Notwithstanding sections 15 and 17 of this chapter, a
16 county assessor subject to an order issued under this section may not
17 assess property or have property assessed for the assessment or general
18 reassessment **under section 4 of this chapter or under a county's**
19 **reassessment plan prepared under section 4.2 of this chapter.** Until
20 the state conducted assessment or reassessment is completed under this
21 section, the assessment or reassessment duties of the county assessor
22 are limited to providing the department or a contractor of the
23 department the support and information requested by the department
24 or the contractor.

25 (d) Before assuming the duties of a county assessor, the department
26 shall transmit a copy of the department's order requiring a state
27 conducted assessment or reassessment to the county assessor, the
28 county fiscal body, the county auditor, and the county treasurer. Notice
29 of the department's actions must be published one (1) time in a
30 newspaper of general circulation published in the county. The
31 department is not required to conduct a public hearing before taking
32 action under this section.

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

- 36 (1) data;
- 37 (2) records;
- 38 (3) maps;
- 39 (4) parcel record cards;
- 40 (5) forms;
- 41 (6) computer software systems;
- 42 (7) computer hardware systems; and

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1 (8) other information;
 2 related to the assessment or reassessment of real property in the county.
 3 The information described in this subsection must be provided at no
 4 cost to the department or the contractor of the department. A failure to
 5 provide information requested under this subsection constitutes a
 6 failure to perform a duty related to an assessment or a general
 7 reassessment **under section 4 of this chapter or under a county's**
 8 **reassessment plan prepared under section 4.2 of this chapter** and
 9 is subject to IC 6-1.1-37-2.

10 (f) The department may enter into a contract with a professional
 11 appraising firm to conduct an assessment or reassessment under this
 12 section. If a county entered into a contract with a professional
 13 appraising firm to conduct the county's assessment or reassessment
 14 before the department orders a state conducted assessment or
 15 reassessment in the county under this section, the contract:
 16 (1) is as valid as if it had been entered into by the department; and
 17 (2) shall be treated as the contract of the department.

18 (g) After receiving the report of assessed values from the appraisal
 19 firm acting under a contract described in subsection (f), the department
 20 shall give notice to the taxpayer and the county assessor, by mail, of the
 21 amount of the assessment or reassessment. The notice of assessment or
 22 reassessment:
 23 (1) is subject to appeal by the taxpayer under section 31.7 of this
 24 chapter; and
 25 (2) must include a statement of the taxpayer's rights under section
 26 31.7 of this chapter.

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

31 (i) A county subject to an order issued under this section shall pay
 32 the cost of a contract described in subsection (f), without appropriation,
 33 from the county property reassessment fund. A contractor may
 34 periodically submit bills for partial payment of work performed under
 35 the contract. Notwithstanding any other law, a contractor is entitled to
 36 payment under this subsection for work performed under a contract if
 37 the contractor:
 38 (1) submits to the department a fully itemized, certified bill in the
 39 form required by IC 5-11-10-1 for the costs of the work performed
 40 under the contract;
 41 (2) obtains from the department:
 42 (A) approval of the form and amount of the bill; and

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- 1 (B) a certification that the billed goods and services have been
- 2 received and comply with the contract; and
- 3 (3) files with the county auditor:
- 4 (A) a duplicate copy of the bill submitted to the department;
- 5 (B) proof of the department's approval of the form and amount
- 6 of the bill; and
- 7 (C) the department's certification that the billed goods and
- 8 services have been received and comply with the contract.

9 The department's approval and certification of a bill under subdivision
 10 (2) shall be treated as conclusively resolving the merits of a contractor's
 11 claim. Upon receipt of the documentation described in subdivision (3),
 12 the county auditor shall immediately certify that the bill is true and
 13 correct without further audit and submit the claim to the county
 14 executive. The county executive shall allow the claim, in full, as
 15 approved by the department, without further examination of the merits
 16 of the claim in a regular or special session that is held not less than
 17 three (3) days and not more than seven (7) days after the date the claim
 18 is certified by the county fiscal officer if the procedures in IC 5-11-10-2
 19 are used to approve the claim or the date the claim is placed on the
 20 claim docket under IC 36-2-6-4 if the procedures in IC 36-2-6-4 are
 21 used to approve the claim. Upon allowance of the claim by the county
 22 executive, the county auditor shall immediately issue a warrant or
 23 check for the full amount of the claim approved by the department.
 24 Compliance with this subsection constitutes compliance with
 25 IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and
 26 payment of a claim in compliance with this subsection is not subject to
 27 remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply
 28 to a claim submitted under this subsection. IC 5-11-10-1.6(d) applies
 29 to a fiscal officer who pays a claim in compliance with this subsection.

30 (j) Notwithstanding IC 4-13-2, a period of seven (7) days is
 31 permitted for each of the following to review and act under IC 4-13-2
 32 on a contract of the department entered into under this section:

- 33 (1) The commissioner of the Indiana department of
- 34 administration.
- 35 (2) The director of the budget agency.
- 36 (3) The attorney general.

37 (k) If money in the county's property reassessment fund is
 38 insufficient to pay for an assessment or reassessment conducted under
 39 this section, the department may increase the tax rate and tax levy of
 40 the county's property reassessment fund to pay the cost and expenses
 41 related to the assessment or reassessment.

42 (l) The department or the contractor of the department shall use the

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1 land values determined under section 13.6 of this chapter for a county
 2 subject to an order issued under this section to the extent that the
 3 department or the contractor finds that the land values reflect the true
 4 tax value of land, as determined under this article and the rules of the
 5 department. If the department or the contractor finds that the land
 6 values determined for the county under section 13.6 of this chapter do
 7 not reflect the true tax value of land, the department or the contractor
 8 shall determine land values for the county that reflect the true tax value
 9 of land, as determined under this article and the rules of the
 10 department. Land values determined under this subsection shall be
 11 used to the same extent as if the land values had been determined under
 12 section 13.6 of this chapter. The department or the contractor of the
 13 department shall notify the county's assessing officials of the land
 14 values determined under this subsection.

15 (m) A contractor of the department may notify the department if:

16 (1) a county auditor fails to:

17 (A) certify the contractor's bill;

18 (B) publish the contractor's claim;

19 (C) submit the contractor's claim to the county executive; or

20 (D) issue a warrant or check for payment of the contractor's
 21 bill;

22 as required by subsection (i) at the county auditor's first legal
 23 opportunity to do so;

24 (2) a county executive fails to allow the contractor's claim as
 25 legally required by subsection (i) at the county executive's first
 26 legal opportunity to do so; or

27 (3) a person or an entity authorized to act on behalf of the county
 28 takes or fails to take an action, including failure to request an
 29 appropriation, and that action or failure to act delays or halts
 30 progress under this section for payment of the contractor's bill.

31 (n) The department, upon receiving notice under subsection (m)
 32 from a contractor of the department, shall:

33 (1) verify the accuracy of the contractor's assertion in the notice
 34 that:

35 (A) a failure occurred as described in subsection (m)(1) or
 36 (m)(2); or

37 (B) a person or an entity acted or failed to act as described in
 38 subsection (m)(3); and

39 (2) provide to the treasurer of state the department's approval
 40 under subsection (i)(2)(A) of the contractor's bill with respect to
 41 which the contractor gave notice under subsection (m).

42 (o) Upon receipt of the department's approval of a contractor's bill

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1 under subsection (n), the treasurer of state shall pay the contractor the
2 amount of the bill approved by the department from money in the
3 possession of the state that would otherwise be available for
4 distribution to the county, including distributions of admissions taxes
5 or wagering taxes.

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

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

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

20 (s) The provisions of this section are severable as provided in
21 IC 1-1-1-8(b).

22 SECTION 23. IC 6-1.1-8.5-8, AS AMENDED BY P.L.154-2006,
23 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 JANUARY 1, 2013]: Sec. 8. (a) For purposes of: ~~the~~

- 25 (1) a general reassessment under IC 6-1.1-4-4;
- 26 (2) **a reassessment of a group of parcels under a county's**
27 **reassessment plan prepared under IC 6-1.1-4-4.2;** or
- 28 (3) a new assessment;

29 the department of local government finance shall assess each industrial
30 facility in a qualifying county.

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

- 33 (1) A county assessor.
- 34 (2) An assessing official.
- 35 (3) A county property tax assessment board of appeals.

36 SECTION 24. IC 6-1.1-8.7-3, AS AMENDED BY P.L.113-2010,
37 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JANUARY 1, 2013]: Sec. 3. (a) ~~Before January 1 of each year that a~~
39 ~~general reassessment commences under IC 6-1.1-4-4;~~ Two hundred
40 fifty (250) or more owners of real property in a township may petition
41 the department to assess the real property of an industrial facility in the
42 township. ~~for that general reassessment.~~

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1 (b) An industrial company may at any time petition the department
2 to assess the real property of an industrial facility owned or used by the
3 company.

4 (c) Before January 1 of any year, the county assessor of the county
5 in which an industrial facility is located may petition the department to
6 assess the real property of the industrial facility for the assessment date
7 in the following year.

8 SECTION 25. IC 6-1.1-12-19 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 19. The deduction
10 from assessed value provided by section 18 of this chapter is first
11 available in the year in which the increase in assessed value resulting
12 from the rehabilitation occurs and shall continue for the following four
13 (4) years. In the sixth (6th) year, the county auditor shall add the
14 amount of the deduction to the assessed value of the real property. A:

- 15 (1) general reassessment of real property **under IC 6-1.1-4-4; or**
16 (2) **reassessment under a county's reassessment plan prepared**
17 **under IC 6-1.1-4-4.2;**

18 which occurs within the five (5) year period of the deduction does not
19 affect the amount of the deduction.

20 SECTION 26. IC 6-1.1-12-23 IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 23. The deduction
22 from assessed value provided by section 22 of this chapter is first
23 available after the first assessment date following the rehabilitation and
24 shall continue for the taxes first due and payable in the following five
25 (5) years. In the sixth (6th) year, the county auditor shall add the
26 amount of the deduction to the assessed value of the property. Any:

- 27 (1) general reassessment of real property **under IC 6-1.1-4-4; or**
28 (2) **reassessment under a county's reassessment plan prepared**
29 **under IC 6-1.1-4-4.2;**

30 which occurs within the five (5) year period of the deduction does not
31 affect the amount of the deduction.

32 SECTION 27. IC 6-1.1-12.1-4, AS AMENDED BY P.L.173-2011,
33 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JANUARY 1, 2013]: Sec. 4. (a) Except as provided in section 2(i)(4)
35 of this chapter, and subject to section 15 of this chapter, the amount of
36 the deduction which the property owner is entitled to receive under
37 section 3 of this chapter for a particular year equals the product of:

- 38 (1) the increase in the assessed value resulting from the
39 rehabilitation or redevelopment; multiplied by
40 (2) either of the following:

- 41 (A) The percentage prescribed in the table set forth in
42 subsection (d).

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1 (B) The percentage prescribed by section 17 of this chapter if
2 the designating body elects to use the method set forth in
3 section 17 of this chapter.

4 (b) The amount of the deduction determined under subsection (a)
5 shall be adjusted in accordance with this subsection in the following
6 circumstances:

7 (1) If:
8 (A) a general reassessment of real property **under**
9 **IC 6-1.1-4-4; or**

10 (B) **a reassessment under a county's reassessment plan**
11 **prepared under IC 6-1.1-4-4.2;**

12 occurs within the particular period of the deduction, the amount
13 determined under subsection (a)(1) shall be adjusted to reflect the
14 percentage increase or decrease in assessed valuation that resulted
15 from the ~~general~~ reassessment.

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

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

22 (c) Property owners who had an area designated an urban
23 development area pursuant to an application filed prior to January 1,
24 1979, are only entitled to the deduction for the first through the fifth
25 years as provided in subsection (d)(10). In addition, property owners
26 who are entitled to a deduction under this chapter pursuant to an
27 application filed after December 31, 1978, and before January 1, 1986,
28 are entitled to a deduction for the first through the tenth years, as
29 provided in subsection (d)(10).

30 (d) The percentage that may be used in calculating the deduction
31 under subsection (a)(2)(A) is as follows:

- 32 (1) For deductions allowed over a one (1) year period:
- 33 YEAR OF DEDUCTION PERCENTAGE
- 34 1st 100%
- 35 (2) For deductions allowed over a two (2) year period:
- 36 YEAR OF DEDUCTION PERCENTAGE
- 37 1st 100%
- 38 2nd 50%
- 39 (3) For deductions allowed over a three (3) year period:
- 40 YEAR OF DEDUCTION PERCENTAGE
- 41 1st 100%
- 42 2nd 66%

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

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1	YEAR OF DEDUCTION	PERCENTAGE
2	1st	100%
3	2nd	88%
4	3rd	77%
5	4th	66%
6	5th	55%
7	6th	44%
8	7th	33%
9	8th	22%
10	9th	11%

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

11	YEAR OF DEDUCTION	PERCENTAGE
12	YEAR OF DEDUCTION	PERCENTAGE
13	1st	100%
14	2nd	95%
15	3rd	80%
16	4th	65%
17	5th	50%
18	6th	40%
19	7th	30%
20	8th	20%
21	9th	10%
22	10th	5%

SECTION 28. IC 6-1.1-12.1-4.8, AS AMENDED BY P.L.219-2007, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 4.8. (a) A property owner that is an applicant for a deduction under this section must provide a statement of benefits to the designating body.

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

(c) 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 eligible vacant building that the property owner or a tenant of the property owner will occupy.
- (2) An estimate of the number of individuals who will be employed or whose employment will be retained by the property

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1 owner or the tenant as a result of the occupation of the eligible
 2 vacant building, and an estimate of the annual salaries of those
 3 individuals.
 4 (3) Information regarding efforts by the owner or a previous
 5 owner to sell, lease, or rent the eligible vacant building during the
 6 period the eligible vacant building was unoccupied.
 7 (4) Information regarding the amount for which the eligible
 8 vacant building was offered for sale, lease, or rent by the owner
 9 or a previous owner during the period the eligible vacant building
 10 was unoccupied.
 11 (d) With the approval of the designating body, the statement of
 12 benefits may be incorporated in a designation application. A statement
 13 of benefits is a public record that may be inspected and copied under
 14 IC 5-14-3.
 15 (e) The designating body must review the statement of benefits
 16 required by subsection (a). The designating body shall determine
 17 whether an area should be designated an economic revitalization area
 18 or whether a deduction should be allowed, after the designating body
 19 has made the following findings:
 20 (1) Whether the estimate of the number of individuals who will be
 21 employed or whose employment will be retained can be
 22 reasonably expected to result from the proposed occupation of the
 23 eligible vacant building.
 24 (2) Whether the estimate of the annual salaries of those
 25 individuals who will be employed or whose employment will be
 26 retained can be reasonably expected to result from the proposed
 27 occupation of the eligible vacant building.
 28 (3) Whether any other benefits about which information was
 29 requested are benefits that can be reasonably expected to result
 30 from the proposed occupation of the eligible vacant building.
 31 (4) Whether the occupation of the eligible vacant building will
 32 increase the tax base and assist in the rehabilitation of the
 33 economic revitalization area.
 34 (5) Whether the totality of benefits is sufficient to justify the
 35 deduction.
 36 A designating body may not designate an area an economic
 37 revitalization area or approve a deduction under this section unless the
 38 findings required by this subsection are made in the affirmative.
 39 (f) Except as otherwise provided in this section, the owner of an
 40 eligible vacant building located in an economic revitalization area is
 41 entitled to a deduction from the assessed value of the building if the
 42 property owner or a tenant of the property owner occupies the eligible

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1 vacant building and uses it for commercial or industrial purposes. The
2 property owner is entitled to the deduction:

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

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

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

12 (1) as part of the resolution adopted under section 2.5 of this
13 chapter; or

14 (2) by a resolution adopted not more than sixty (60) days after the
15 designating body receives a copy of the property owner's
16 deduction application from the county auditor.

17 A certified copy of a resolution under subdivision (2) shall be sent to
18 the county auditor, who shall make the deduction as provided in section
19 5.3 of this chapter. A determination concerning the number of years the
20 deduction is allowed that is made under subdivision (1) is final and
21 may not be changed by using the procedure under subdivision (2).

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

26 (1) the assessed value of the building or part of the building that
27 is occupied by the property owner or a tenant of the property
28 owner; multiplied by

29 (2) the percentage set forth in the table in subsection (i).

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

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

33 YEAR OF DEDUCTION	PERCENTAGE
34 1st	100%

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

36 YEAR OF DEDUCTION	PERCENTAGE
37 1st	100%
38 2nd	50%

39 (j) The amount of the deduction determined under subsection (h)
40 shall be adjusted in accordance with this subsection in the following
41 circumstances:

42 (1) If:

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1 (A) a general reassessment of real property **under**
 2 **IC 6-1.1-4-4; or**
 3 **(B) a reassessment under a county's reassessment plan**
 4 **prepared under IC 6-1.1-4-4.2;**
 5 occurs within the period of the deduction, the amount of the
 6 assessed value determined under subsection (h)(1) shall be
 7 adjusted to reflect the percentage increase or decrease in assessed
 8 valuation that resulted from the ~~general~~ reassessment.
 9 (2) If an appeal of an assessment is approved and results in a
 10 reduction of the assessed value of the property, the amount of a
 11 deduction under this section shall be adjusted to reflect the
 12 percentage decrease that resulted from the appeal.
 13 (k) The maximum amount of a deduction under this section may not
 14 exceed the lesser of:
 15 (1) the annual amount for which the eligible vacant building was
 16 offered for lease or rent by the owner or a previous owner during
 17 the period the eligible vacant building was unoccupied; or
 18 (2) an amount, as determined by the designating body in its
 19 discretion, that is equal to the annual amount for which similar
 20 buildings in the county or contiguous counties were leased or
 21 rented or offered for lease or rent during the period the eligible
 22 vacant building was unoccupied.
 23 (l) The department of local government finance may adopt rules
 24 under IC 4-22-2 to implement this section.
 25 SECTION 29. IC 6-1.1-12.4-2, AS AMENDED BY P.L.146-2008,
 26 SECTION 130, IS AMENDED TO READ AS FOLLOWS
 27 [EFFECTIVE JANUARY 1, 2013]: Sec. 2. (a) For purposes of this
 28 section, an increase in the assessed value of real property is determined
 29 in the same manner that an increase in the assessed value of real
 30 property is determined for purposes of IC 6-1.1-12.1.
 31 (b) This subsection applies only to a development, redevelopment,
 32 or rehabilitation that is first assessed after March 1, 2005, and before
 33 March 2, 2007. Except as provided in subsection (h) and sections 4, 5,
 34 and 8 of this chapter, an owner of real property that:
 35 (1) develops, redevelops, or rehabilitates the real property; and
 36 (2) creates or retains employment from the development,
 37 redevelopment, or rehabilitation;
 38 is entitled to a deduction from the assessed value of the real property.
 39 (c) Subject to section 14 of this chapter, the deduction under this
 40 section is first available in the year in which the increase in assessed
 41 value resulting from the development, redevelopment, or rehabilitation
 42 occurs and continues for the following two (2) years. The amount of the

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1 deduction that a property owner may receive with respect to real
 2 property located in a county for a particular year equals the lesser of:

- 3 (1) two million dollars (\$2,000,000); or
- 4 (2) the product of:
 - 5 (A) the increase in assessed value resulting from the
 - 6 development, rehabilitation, or redevelopment; multiplied by
 - 7 (B) the percentage from the following table:

8 YEAR OF DEDUCTION	PERCENTAGE
9 1st	75%
10 2nd	50%
11 3rd	25%

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

- 18 (1) inform the county auditor of the real property eligible for the
- 19 deduction as contained in the notice filed by the taxpayer under
- 20 this subsection; and
- 21 (2) inform the county auditor of the deduction amount.

22 (e) The county auditor shall:

- 23 (1) make the deductions; and
- 24 (2) notify the county property tax assessment board of appeals of
- 25 all deductions approved;

26 under this section.

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

- 30 (1) a general reassessment of real property under IC 6-1.1-4-4;
- 31 **(2) a reassessment under a county's reassessment plan**
- 32 **prepared under IC 6-1.1-4-4.2; or**
- 33 ~~(2)~~ **(3) an annual adjustment under IC 6-1.1-4-4.5.**

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

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

40 SECTION 30. IC 6-1.1-13-6 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 6. **(a)** A county
 42 assessor shall inquire into the assessment of the classes of tangible

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1 property in the various townships of the county after March 1 in the
 2 year in which ~~the a~~ general reassessment **under IC 6-1.1-4-4** becomes
 3 effective. The county assessor shall make any changes, whether
 4 increases or decreases, in the assessed values which are necessary in
 5 order to equalize these values in and between the various townships of
 6 the county. In addition, the county assessor shall determine the percent
 7 to be added to or deducted from the assessed values in order to make
 8 a just, equitable, and uniform equalization of assessments in and
 9 between the townships of the county.

10 **(b) A county assessor shall inquire into the assessment of the**
 11 **classes of tangible property in the group of parcels under a**
 12 **county's reassessment plan prepared under IC 6-1.1-4-4.2 after**
 13 **March 1 of the year in which the reassessment of tangible property**
 14 **in that group of parcels becomes effective. The county assessor**
 15 **shall make any changes, whether increases or decreases, in the**
 16 **assessed values that are necessary in order to equalize these values**
 17 **in that group. In addition, the county assessor shall determine the**
 18 **percent to be added to or deducted from the assessed values in**
 19 **order to make a just, equitable, and uniform equalization of**
 20 **assessments in that group.**

21 SECTION 31. IC 6-1.1-13-7 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 7. If a county
 23 assessor proposes to change assessments under section 6 of this
 24 chapter, the property tax assessment board of appeals shall hold a
 25 hearing on the proposed changes before July 15 in the year in which a
 26 ~~general assessment~~ **the reassessment** is to commence. It is sufficient
 27 notice of the hearing and of any changes in assessments ordered by the
 28 board subsequent to the hearing if the board gives notice by publication
 29 once either in:

- 30 (1) two (2) newspapers which represent different political parties
- 31 and which are published in the county; or
- 32 (2) one (1) newspaper only, if two (2) newspapers which
- 33 represent different political parties are not published in the
- 34 county.

35 SECTION 32. IC 6-1.1-15-4, AS AMENDED BY P.L.219-2007,
 36 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 JANUARY 1, 2013]: Sec. 4. (a) After receiving a petition for review
 38 which is filed under section 3 of this chapter, the Indiana board shall
 39 conduct a hearing at its earliest opportunity. The Indiana board may
 40 correct any errors that may have been made and adjust the assessment
 41 or exemption in accordance with the correction.

42 (b) If the Indiana board conducts a site inspection of the property as

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

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

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

27 (1) notice, by mail, of its final determination; and

28 (2) for parties entitled to appeal the final determination, notice of
 29 the procedures they must follow in order to obtain court review
 30 under section 5 of this chapter.

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

35 (f) With respect to an appeal of a real property assessment that takes
 36 effect on the assessment date on which a ~~general~~ reassessment of real
 37 property takes effect under IC 6-1.1-4-4 or **IC 6-1.1-4-4.2**, the Indiana
 38 board shall conduct a hearing not later than one (1) year after a petition
 39 in proper form is filed with the Indiana board, excluding any time due
 40 to a delay reasonably caused by the petitioner.

41 (g) Except as provided in subsection (h), the Indiana board shall
 42 make a determination not later than the later of:

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- 1 (1) ninety (90) days after the hearing; or
 2 (2) the date set in an extension order issued by the Indiana board.
- 3 (h) With respect to an appeal of a real property assessment that
 4 takes effect on the assessment date on which a ~~general~~ reassessment of
 5 real property takes effect under IC 6-1.1-4-4 or **IC 6-1.1-4-4.2**, the
 6 Indiana board shall make a determination not later than the later of:
 7 (1) one hundred eighty (180) days after the hearing; or
 8 (2) the date set in an extension order issued by the Indiana board.
- 9 (i) The Indiana board may not extend the final determination date
 10 under subsection (g) or (h) by more than one hundred eighty (180)
 11 days. If the Indiana board fails to make a final determination within the
 12 time allowed by this section, the entity that initiated the petition may:
 13 (1) take no action and wait for the Indiana board to make a final
 14 determination; or
 15 (2) petition for judicial review under section 5 of this chapter.
- 16 (j) A final determination must include separately stated findings of
 17 fact for all aspects of the determination. Findings of ultimate fact must
 18 be accompanied by a concise statement of the underlying basic facts of
 19 record to support the findings. Findings must be based exclusively
 20 upon the evidence on the record in the proceeding and on matters
 21 officially noticed in the proceeding. Findings must be based upon a
 22 preponderance of the evidence.
- 23 (k) The Indiana board may limit the scope of the appeal to the issues
 24 raised in the petition and the evaluation of the evidence presented to
 25 the county board in support of those issues only if all parties
 26 participating in the hearing required under subsection (a) agree to the
 27 limitation. A party participating in the hearing required under
 28 subsection (a) is entitled to introduce evidence that is otherwise proper
 29 and admissible without regard to whether that evidence has previously
 30 been introduced at a hearing before the county board.
- 31 (l) The Indiana board may require the parties to the appeal:
 32 (1) to file not more than five (5) business days before the date of
 33 the hearing required under subsection (a) documentary evidence
 34 or summaries of statements of testimonial evidence; and
 35 (2) to file not more than fifteen (15) business days before the date
 36 of the hearing required under subsection (a) lists of witnesses and
 37 exhibits to be introduced at the hearing.
- 38 (m) A party to a proceeding before the Indiana board shall provide
 39 to all other parties to the proceeding the information described in
 40 subsection (l) if the other party requests the information in writing at
 41 least ten (10) days before the deadline for filing of the information
 42 under subsection (l).

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

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

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

12 SECTION 33. IC 6-1.1-17-1, AS AMENDED BY P.L.1-2010,
 13 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JANUARY 1, 2013]: Sec. 1. (a) On or before August 1 of each year,
 15 the county auditor shall send a certified statement, under the seal of the
 16 board of county commissioners, to the fiscal officer of each political
 17 subdivision of the county and the department of local government
 18 finance. The statement shall contain:

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

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

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

26 (4) the average growth in assessed valuation in the political
 27 subdivision over the preceding three (3) budget years, ~~excluding~~
 28 ~~years in which a general reassessment occurs, determined~~
 29 according to procedures established by the department of local
 30 government finance **to account for reassessment under**
 31 **IC 6-1.1-4-4 or IC 6-1.1-4-4.2;**

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

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

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

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

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

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1 calendar year; and
 2 (2) any other information at the disposal of the county auditor
 3 which might affect the estimate.
 4 (c) The fiscal officer of each political subdivision shall present the
 5 county auditor's statement to the proper officers of the political
 6 subdivision.
 7 (d) Subject to subsection (e), after the county auditor sends a
 8 certified statement under subsection (a) or an amended certified
 9 statement under this subsection with respect to a political subdivision
 10 and before the department of local government finance certifies its
 11 action with respect to the political subdivision under section 16(f) of
 12 this chapter, the county auditor may amend the information concerning
 13 assessed valuation included in the earlier certified statement. The
 14 county auditor shall send a certified statement amended under this
 15 subsection, under the seal of the board of county commissioners, to:
 16 (1) the fiscal officer of each political subdivision affected by the
 17 amendment; and
 18 (2) the department of local government finance.
 19 (e) Except as provided in subsection (f), before the county auditor
 20 makes an amendment under subsection (d), the county auditor must
 21 provide an opportunity for public comment on the proposed
 22 amendment at a public hearing. The county auditor must give notice of
 23 the hearing under IC 5-3-1. If the county auditor makes the amendment
 24 as a result of information provided to the county auditor by an assessor,
 25 the county auditor shall give notice of the public hearing to the
 26 assessor.
 27 (f) The county auditor is not required to hold a public hearing under
 28 subsection (e) if:
 29 (1) the amendment under subsection (d) is proposed to correct a
 30 mathematical error made in the determination of the amount of
 31 assessed valuation included in the earlier certified statement;
 32 (2) the amendment under subsection (d) is proposed to add to the
 33 amount of assessed valuation included in the earlier certified
 34 statement assessed valuation of omitted property discovered after
 35 the county auditor sent the earlier certified statement; or
 36 (3) the county auditor determines that the amendment under
 37 subsection (d) will not result in an increase in the tax rate or tax
 38 rates of the political subdivision.
 39 SECTION 34. IC 6-1.1-18-12, AS AMENDED BY P.L.172-2011,
 40 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JANUARY 1, 2013]: Sec. 12. (a) For purposes of this section,
 42 "maximum rate" refers to the maximum:

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- 1 (1) property tax rate or rates; or
- 2 (2) special benefits tax rate or rates;
- 3 referred to in the statutes listed in subsection (d).
- 4 (b) The maximum rate for taxes first due and payable after 2003 is
- 5 the maximum rate that would have been determined under subsection
- 6 (e) for taxes first due and payable in 2003 if subsection (e) had applied
- 7 for taxes first due and payable in 2003.
- 8 (c) The maximum rate must be adjusted each year to account for the
- 9 change in assessed value of real property that results from:
- 10 (1) an annual adjustment of the assessed value of real property
- 11 under IC 6-1.1-4-4.5; or
- 12 (2) a general reassessment of real property under IC 6-1.1-4-4; or
- 13 **(3) a reassessment under a county's reassessment plan**
- 14 **prepared under IC 6-1.1-4-4.2.**
- 15 (d) The statutes to which subsection (a) refers are:
- 16 (1) IC 8-10-5-17;
- 17 (2) IC 8-22-3-11;
- 18 (3) IC 8-22-3-25;
- 19 (4) IC 12-29-1-1;
- 20 (5) IC 12-29-1-2;
- 21 (6) IC 12-29-1-3;
- 22 (7) IC 12-29-3-6;
- 23 (8) IC 13-21-3-12;
- 24 (9) IC 13-21-3-15;
- 25 (10) IC 14-27-6-30;
- 26 (11) IC 14-33-7-3;
- 27 (12) IC 14-33-21-5;
- 28 (13) IC 15-14-7-4;
- 29 (14) IC 15-14-9-1;
- 30 (15) IC 15-14-9-2;
- 31 (16) IC 16-20-2-18;
- 32 (17) IC 16-20-4-27;
- 33 (18) IC 16-20-7-2;
- 34 (19) IC 16-22-14;
- 35 (20) IC 16-23-1-29;
- 36 (21) IC 16-23-3-6;
- 37 (22) IC 16-23-4-2;
- 38 (23) IC 16-23-5-6;
- 39 (24) IC 16-23-7-2;
- 40 (25) IC 16-23-8-2;
- 41 (26) IC 16-23-9-2;
- 42 (27) IC 16-41-15-5;

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- 1 (28) IC 16-41-33-4;
 2 (29) IC 20-46-2-3 (before its repeal on January 1, 2009);
 3 (30) IC 20-46-6-5;
 4 (31) IC 20-49-2-10;
 5 (32) IC 36-1-19-1;
 6 (33) IC 23-14-66-2;
 7 (34) IC 23-14-67-3;
 8 (35) IC 36-7-13-4;
 9 (36) IC 36-7-14-28;
 10 (37) IC 36-7-15.1-16;
 11 (38) IC 36-8-19-8.5;
 12 (39) IC 36-9-6.1-2;
 13 (40) IC 36-9-17.5-4;
 14 (41) IC 36-9-27-73;
 15 (42) IC 36-9-29-31;
 16 (43) IC 36-9-29.1-15;
 17 (44) IC 36-10-6-2;
 18 (45) IC 36-10-7-7;
 19 (46) IC 36-10-7-8;
 20 (47) IC 36-10-7.5-19;
 21 (48) IC 36-10-13-5;
 22 (49) IC 36-10-13-7;
 23 (50) IC 36-10-14-4;
 24 (51) IC 36-12-7-7;
 25 (52) IC 36-12-7-8;
 26 (53) IC 36-12-12-10; and
 27 (54) any statute enacted after December 31, 2003, that:
 28 (A) establishes a maximum rate for any part of the:
 29 (i) property taxes; or
 30 (ii) special benefits taxes;
 31 imposed by a political subdivision; and
 32 (B) does not exempt the maximum rate from the adjustment
 33 under this section.
 34 (e) The new maximum rate under a statute listed in subsection (d)
 35 is the tax rate determined under STEP SEVEN of the following STEPS:
 36 STEP ONE: Determine the maximum rate for the political
 37 subdivision levying a property tax or special benefits tax under
 38 the statute for the year preceding the year in which the annual
 39 adjustment or ~~general~~ **the reassessment under IC 6-1.1-4-4 or**
 40 **IC 6-1.1-4-4.2** takes effect.
 41 STEP TWO: Except as provided in subsection (g), determine the
 42 actual percentage change (rounded to the nearest one-hundredth

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1 percent (0.01%) in the assessed value (before the adjustment, if
 2 any, under IC 6-1.1-4-4.5) of the taxable property from the year
 3 preceding the year the annual adjustment or ~~general the~~
 4 reassessment **under IC 6-1.1-4-4 or IC 6-1.1-4-4.2** takes effect
 5 to the year that the annual adjustment or ~~general the~~ reassessment
 6 **under IC 6-1.1-4-4 or IC 6-1.1-4-4.2** takes effect.

7 STEP THREE: Determine the three (3) calendar years that
 8 immediately precede the ensuing calendar year and in which a
 9 statewide ~~general~~ reassessment of real property **under**
 10 **IC 6-1.1-4-4** does not first take effect.

11 STEP FOUR: Except as provided in subsection (g), compute
 12 separately, for each of the calendar years determined in STEP
 13 THREE, the actual percentage change (rounded to the nearest
 14 one-hundredth percent (0.01%)) in the assessed value (before the
 15 adjustment, if any, under IC 6-1.1-4-4.5) of the taxable property
 16 from the preceding year.

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

19 STEP SIX: Determine the greater of the following:

20 (A) Zero (0).

21 (B) The result of the STEP TWO percentage minus the STEP
 22 FIVE percentage.

23 STEP SEVEN: Determine the quotient of the STEP ONE tax rate
 24 divided by the sum of one (1) plus the STEP SIX percentage
 25 increase.

26 (f) The department of local government finance shall compute the
 27 maximum rate allowed under subsection (e) and provide the rate to
 28 each political subdivision with authority to levy a tax under a statute
 29 listed in subsection (d).

30 (g) This subsection applies to STEP TWO and STEP FOUR of
 31 subsection (e) for taxes first due and payable after 2011. If the assessed
 32 value change used in the STEPS was not an increase, the STEPS are
 33 applied using instead:

34 (1) the actual percentage decrease (rounded to the nearest
 35 one-hundredth percent (0.01%)) in the assessed value (before the
 36 adjustment, if any, under IC 6-1.1-4-4.5) of the taxable property;
 37 or

38 (2) zero (0) if the assessed value did not increase or decrease.

39 SECTION 35. IC 6-1.1-18-13, AS AMENDED BY P.L.219-2007,
 40 SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JANUARY 1, 2013]: Sec. 13. (a) The maximum property tax rate
 42 levied under IC 20-46-6 by each school corporation for the school

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1 corporation's capital projects fund must be adjusted each year to
 2 account for the change in assessed value of real property that results
 3 from:

4 (1) an annual adjustment of the assessed value of real property
 5 under IC 6-1.1-4-4.5; or

6 (2) a general reassessment of real property under IC 6-1.1-4-4; or
 7 **(3) a reassessment under a county's reassessment plan**
 8 **prepared under IC 6-1.1-4-4.2.**

9 (b) The new maximum rate under this section is the tax rate
 10 determined under STEP SEVEN of the following formula:

11 STEP ONE: Determine the maximum rate for the school
 12 corporation for the year preceding the year in which the annual
 13 adjustment or ~~general the~~ reassessment **under IC 6-1.1-4-4 or**
 14 **IC 6-1.1-4-4.2** takes effect.

15 STEP TWO: Determine the actual percentage increase (rounded
 16 to the nearest one-hundredth percent (0.01%)) in the assessed
 17 value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the
 18 taxable property from the year preceding the year the annual
 19 adjustment or ~~general the~~ reassessment **under IC 6-1.1-4-4 or**
 20 **IC 6-1.1-4-4.2** takes effect to the year that the annual adjustment
 21 or ~~general the~~ reassessment is effective.

22 STEP THREE: Determine the three (3) calendar years that
 23 immediately precede the ensuing calendar year and in which a
 24 statewide general reassessment of real property **under**
 25 **IC 6-1.1-4-4** does not first become effective.

26 STEP FOUR: Compute separately, for each of the calendar years
 27 determined in STEP THREE, the actual percentage increase
 28 (rounded to the nearest one-hundredth percent (0.01%)) in the
 29 assessed value (before the adjustment, if any, under
 30 IC 6-1.1-4-4.5) of the taxable property from the preceding year.

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

33 STEP SIX: Determine the greater of the following:

34 (A) Zero (0).

35 (B) The result of the STEP TWO percentage minus the STEP
 36 FIVE percentage.

37 STEP SEVEN: Determine the quotient of the STEP ONE tax rate
 38 divided by the sum of one (1) plus the STEP SIX percentage
 39 increase.

40 (c) The department of local government finance shall compute the
 41 maximum rate allowed under subsection (b) and provide the rate to
 42 each school corporation.

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1 SECTION 36. IC 6-1.1-18.5-9.8, AS AMENDED BY P.L. 172-2011,
2 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2013]: Sec. 9.8. (a) For purposes of determining the
4 property tax levy limit imposed on a city, town, or county under section
5 3 of this chapter, the city, town, or county's ad valorem property tax
6 levy for a particular calendar year does not include an amount equal to
7 the lesser of:

8 (1) the amount of ad valorem property taxes that would be first
9 due and payable to the city, town, or county during the ensuing
10 calendar year if the taxing unit imposed the maximum permissible
11 property tax rate per one hundred dollars (\$100) of assessed
12 valuation that the civil taxing unit may impose for the particular
13 calendar year under the authority of IC 36-9-14.5 (in the case of
14 a county) or IC 36-9-15.5 (in the case of a city or town); or

15 (2) the excess, if any, of:

16 (A) the property taxes imposed by the city, town, or county
17 under the authority of:

- 18 IC 3-11-6-9;
- 19 IC 8-16-3;
- 20 IC 8-16-3.1;
- 21 IC 8-22-3-25;
- 22 IC 14-27-6-48;
- 23 IC 14-33-9-3;
- 24 IC 16-22-8-41;
- 25 IC 16-22-5-2 through IC 16-22-5-15;
- 26 IC 16-23-1-40;
- 27 IC 36-8-14;
- 28 IC 36-9-4-48;
- 29 IC 36-9-14;
- 30 IC 36-9-14.5;
- 31 IC 36-9-15;
- 32 IC 36-9-15.5;
- 33 IC 36-9-16;
- 34 IC 36-9-16.5;
- 35 IC 36-9-17;
- 36 IC 36-9-26;
- 37 IC 36-9-27-100;
- 38 IC 36-10-3-21; or
- 39 IC 36-10-4-36;

40 that are first due and payable during the ensuing calendar year;
41 over

42 (B) the property taxes imposed by the city, town, or county

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- 1 under the authority of the citations listed in clause (A) that
 2 were first due and payable during calendar year 1984.
- 3 (b) The maximum property tax rate levied under the statutes listed
 4 in subsection (a) must be adjusted each year to account for the change
 5 in assessed value of real property that results from:
- 6 (1) an annual adjustment of the assessed value of real property
 7 under IC 6-1.1-4-4.5; ~~or~~
 8 (2) a general reassessment of real property under IC 6-1.1-4-4; **or**
 9 **(3) a reassessment under a county's reassessment plan**
 10 **prepared under IC 6-1.1-4-4.2.**
- 11 (c) The new maximum rate under a statute listed in subsection (a)
 12 is the tax rate determined under STEP SEVEN of the following
 13 formula:
- 14 STEP ONE: Determine the maximum rate for the political
 15 subdivision levying a property tax under the statute for the year
 16 preceding the year in which the annual adjustment or ~~general the~~
 17 reassessment **under IC 6-1.1-4-4 or IC 6-1.1-4-4.2** takes effect.
- 18 STEP TWO: Subject to subsection (e), determine the actual
 19 percentage change (rounded to the nearest one-hundredth percent
 20 (0.01%)) in the assessed value (before the adjustment, if any,
 21 under IC 6-1.1-4-4.5) of the taxable property from the year
 22 preceding the year the annual adjustment or ~~general the~~
 23 reassessment **under IC 6-1.1-4-4 or IC 6-1.1-4-4.2** takes effect
 24 to the year that the annual adjustment or ~~general the~~ reassessment
 25 is effective.
- 26 STEP THREE: Determine the three (3) calendar years that
 27 immediately precede the ensuing calendar year and in which a
 28 statewide ~~general~~ reassessment of real property **under**
 29 **IC 6-1.1-4-4** does not first become effective.
- 30 STEP FOUR: Subject to subsection (e), compute separately, for
 31 each of the calendar years determined in STEP THREE, the actual
 32 percentage change (rounded to the nearest one-hundredth percent
 33 (0.01%)) in the assessed value (before the adjustment, if any,
 34 under IC 6-1.1-4-4.5) of the taxable property from the preceding
 35 year.
- 36 STEP FIVE: Divide the sum of the three (3) quotients computed
 37 in STEP FOUR by three (3).
- 38 STEP SIX: Determine the greater of the following:
- 39 (A) Zero (0).
 40 (B) The result of the STEP TWO percentage minus the STEP
 41 FIVE percentage.
- 42 STEP SEVEN: Determine the quotient of the STEP ONE tax rate

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1 divided by the sum of one (1) plus the STEP SIX percentage
 2 increase.
 3 (d) The department of local government finance shall compute the
 4 maximum rate allowed under subsection (c) and provide the rate to
 5 each political subdivision with authority to levy a tax under a statute
 6 listed in subsection (a).
 7 (e) This subsection applies to STEP TWO and STEP FOUR of
 8 subsection (c) for taxes first due and payable after 2011. If the assessed
 9 value change used in the STEPS was not an increase, the STEPS are
 10 applied using instead:
 11 (1) the actual percentage decrease (rounded to the nearest
 12 one-hundredth percent (0.01%)) in the assessed value (before the
 13 adjustment, if any, under IC 6-1.1-4-4.5) of the taxable property;
 14 or
 15 (2) zero (0) if the assessed value did not increase or decrease.
 16 SECTION 37. IC 6-1.1-18.5-10, AS AMENDED BY
 17 P.L.182-2009(ss), SECTION 128, IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 10. (a) The ad
 19 valorem property tax levy limits imposed by section 3 of this chapter
 20 do not apply to ad valorem property taxes imposed by a civil taxing
 21 unit to be used to fund:
 22 (1) community mental health centers under:
 23 (A) IC 12-29-2-1.2, for only those civil taxing units that
 24 authorized financial assistance under IC 12-29-1 before 2002
 25 for a community mental health center as long as the tax levy
 26 under this section does not exceed the levy authorized in 2002;
 27 (B) IC 12-29-2-2 through IC 12-29-2-5; and
 28 (C) IC 12-29-2-13; or
 29 (2) community mental retardation and other developmental
 30 disabilities centers under IC 12-29-1-1;
 31 to the extent that those property taxes are attributable to any increase
 32 in the assessed value of the civil taxing unit's taxable property caused
 33 by a general reassessment of real property **under IC 6-1.1-4-4 or a**
 34 **reassessment of real property under a reassessment plan prepared**
 35 **under IC 6-1.1-4-4.2** that took effect after February 28, 1979.
 36 (b) For purposes of computing the ad valorem property tax levy
 37 limits imposed on a civil taxing unit by section 3 of this chapter, the
 38 civil taxing unit's ad valorem property tax levy for a particular calendar
 39 year does not include that part of the levy described in subsection (a).
 40 (c) This subsection applies to property taxes first due and payable
 41 after December 31, 2008. Notwithstanding subsections (a) and (b) or
 42 any other law, any property taxes imposed by a civil taxing unit that are

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1 exempted by this section from the ad valorem property tax levy limits
 2 imposed by section 3 of this chapter may not increase annually by a
 3 percentage greater than the result of:

- 4 (1) the assessed value growth quotient determined under section
 5 2 of this chapter; minus
 6 (2) one (1).

7 (d) For a county that:

8 (1) did not impose an ad valorem property tax levy in 2008 for the
 9 county general fund to provide financial assistance under
 10 IC 12-29-1 (community mental retardation and other
 11 developmental disabilities center) or IC 12-29-2 (community
 12 mental health center); and

13 (2) determines for 2009 or a later calendar year to impose a levy
 14 as described in subdivision (1);

15 the ad valorem property tax levy limits imposed under section 3 of this
 16 chapter do not apply to the part of the county's general fund levy that
 17 is used in the first calendar year for which a determination is made
 18 under subdivision (2) to provide financial assistance under IC 12-29-1
 19 or IC 12-29-2. The department of local government finance shall
 20 review a county's proposed budget that is submitted under IC 12-29-1-1
 21 or IC 12-29-2-1.2 and make a final determination of the amount to
 22 which the levy limits do not apply under this subsection for the first
 23 calendar year for which a determination is made under subdivision (2).

24 (e) The ad valorem property tax levy limits imposed under section
 25 3 of this chapter do not apply to the county's general fund levy in the
 26 amount determined by the department of local government finance
 27 under subsection (d) in each calendar year following the calendar year
 28 for which the determination under subsection (b) is made.

29 SECTION 38. IC 6-1.1-18.5-13, AS AMENDED BY P.L.172-2011,
 30 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JANUARY 1, 2013]: Sec. 13. (a) With respect to an appeal filed under
 32 section 12 of this chapter, the department may find that a civil taxing
 33 unit should receive any one (1) or more of the following types of relief:

- 34 (1) Permission to the civil taxing unit to increase its levy in excess
 35 of the limitations established under section 3 of this chapter, if in
 36 the judgment of the department the increase is reasonably
 37 necessary due to increased costs of the civil taxing unit resulting
 38 from annexation, consolidation, or other extensions of
 39 governmental services by the civil taxing unit to additional
 40 geographic areas or persons. With respect to annexation,
 41 consolidation, or other extensions of governmental services in a
 42 calendar year, if those increased costs are incurred by the civil

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1 taxing unit in that calendar year and more than one (1)
 2 immediately succeeding calendar year, the unit may appeal under
 3 section 12 of this chapter for permission to increase its levy under
 4 this subdivision based on those increased costs in any of the
 5 following:

6 (A) The first calendar year in which those costs are incurred.

7 (B) One (1) or more of the immediately succeeding four (4)
 8 calendar years.

9 (2) A levy increase may not be granted under this subdivision for
 10 property taxes first due and payable after December 31, 2008.
 11 Permission to the civil taxing unit to increase its levy in excess of
 12 the limitations established under section 3 of this chapter, if the
 13 local government tax control board finds that the civil taxing unit
 14 needs the increase to meet the civil taxing unit's share of the costs
 15 of operating a court established by statute enacted after December
 16 31, 1973. Before recommending such an increase, the local
 17 government tax control board shall consider all other revenues
 18 available to the civil taxing unit that could be applied for that
 19 purpose. The maximum aggregate levy increases that the local
 20 government tax control board may recommend for a particular
 21 court equals the civil taxing unit's estimate of the unit's share of
 22 the costs of operating a court for the first full calendar year in
 23 which it is in existence. For purposes of this subdivision, costs of
 24 operating a court include:

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

26 (B) the cost of supplies; and

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

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

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

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

42 (i) for a particular calendar year before 2007, the total

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1 assessed value of property tax deductions in the unit under
 2 IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar
 3 year; or
 4 (ii) for a particular calendar year after 2006, the total
 5 assessed value of property tax deductions that applied in the
 6 unit under IC 6-1.1-12-42 in 2006 plus for a particular
 7 calendar year after 2009, the total assessed value of property
 8 tax deductions that applied in the unit under
 9 IC 6-1.1-12-37.5 in 2008;
 10 divided by the sum determined under this STEP for the
 11 calendar year immediately preceding the particular calendar
 12 year.
 13 STEP THREE: Divide the sum of the three (3) quotients
 14 computed in STEP TWO by three (3).
 15 STEP FOUR: Compute separately, for each of the calendar
 16 years determined in STEP ONE, the quotient (rounded to the
 17 nearest ten-thousandth (0.0001)) of the sum of the total
 18 assessed value of all taxable property in all counties and:
 19 (i) for a particular calendar year before 2007, the total
 20 assessed value of property tax deductions in all counties
 21 under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular
 22 calendar year; or
 23 (ii) for a particular calendar year after 2006, the total
 24 assessed value of property tax deductions that applied in all
 25 counties under IC 6-1.1-12-42 in 2006 plus for a particular
 26 calendar year after 2009, the total assessed value of property
 27 tax deductions that applied in the unit under
 28 IC 6-1.1-12-37.5 in 2008;
 29 divided by the sum determined under this STEP for the
 30 calendar year immediately preceding the particular calendar
 31 year.
 32 STEP FIVE: Divide the sum of the three (3) quotients
 33 computed in STEP FOUR by three (3).
 34 STEP SIX: Divide the STEP THREE amount by the STEP
 35 FIVE amount.
 36 The civil taxing unit may increase its levy by a percentage not
 37 greater than the percentage by which the STEP THREE amount
 38 exceeds the percentage by which the civil taxing unit may
 39 increase its levy under section 3 of this chapter based on the
 40 assessed value growth quotient determined under section 2 of this
 41 chapter.
 42 (4) A levy increase may not be granted under this subdivision for

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1 property taxes first due and payable after December 31, 2008.
 2 Permission to the civil taxing unit to increase its levy in excess of
 3 the limitations established under section 3 of this chapter, if the
 4 local government tax control board finds that the civil taxing unit
 5 needs the increase to pay the costs of furnishing fire protection for
 6 the civil taxing unit through a volunteer fire department. For
 7 purposes of determining a township's need for an increased levy,
 8 the local government tax control board shall not consider the
 9 amount of money borrowed under IC 36-6-6-14 during the
 10 immediately preceding calendar year. However, any increase in
 11 the amount of the civil taxing unit's levy recommended by the
 12 local government tax control board under this subdivision for the
 13 ensuing calendar year may not exceed the lesser of:

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

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

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

19 (ii) the amount of any additional appropriations authorized
 20 during that calendar year for the civil taxing unit's use in
 21 paying operating expenses of a volunteer fire department
 22 under this chapter; minus

23 (iii) the amount of money borrowed under IC 36-6-6-14
 24 during that calendar year for the civil taxing unit's use in
 25 paying operating expenses of a volunteer fire department.

26 (5) A levy increase may not be granted under this subdivision for
 27 property taxes first due and payable after December 31, 2008.
 28 Permission to a civil taxing unit to increase its levy in excess of
 29 the limitations established under section 3 of this chapter in order
 30 to raise revenues for pension payments and contributions the civil
 31 taxing unit is required to make under IC 36-8. The maximum
 32 increase in a civil taxing unit's levy that may be recommended
 33 under this subdivision for an ensuing calendar year equals the
 34 amount, if any, by which the pension payments and contributions
 35 the civil taxing unit is required to make under IC 36-8 during the
 36 ensuing calendar year exceeds the product of one and one-tenth
 37 (1.1) multiplied by the pension payments and contributions made
 38 by the civil taxing unit under IC 36-8 during the calendar year that
 39 immediately precedes the ensuing calendar year. For purposes of
 40 this subdivision, "pension payments and contributions made by a
 41 civil taxing unit" does not include that part of the payments or
 42 contributions that are funded by distributions made to a civil

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taxing unit by the state.
(6) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to increase its levy in excess of the limitations established under section 3 of this chapter if the local government tax control board finds that:

(A) the township's township assistance ad valorem property tax rate is less than one and sixty-seven hundredths cents (\$0.0167) per one hundred dollars (\$100) of assessed valuation; and

(B) the township needs the increase to meet the costs of providing township assistance under IC 12-20 and IC 12-30-4.

The maximum increase that the board may recommend for a township is the levy that would result from an increase in the township's township assistance ad valorem property tax rate of one and sixty-seven hundredths cents (\$0.0167) per one hundred dollars (\$100) of assessed valuation minus the township's ad valorem property tax rate per one hundred dollars (\$100) of assessed valuation before the increase.

(7) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter if:

(A) the increase has been approved by the legislative body of the municipality with the largest population where the civil taxing unit provides public transportation services; and

(B) the local government tax control board finds that the civil taxing unit needs the increase to provide adequate public transportation services.

The local government tax control board shall consider tax rates and levies in civil taxing units of comparable population, and the effect (if any) of a loss of federal or other funds to the civil taxing unit that might have been used for public transportation purposes. However, the increase that the board may recommend under this subdivision for a civil taxing unit may not exceed the revenue that would be raised by the civil taxing unit based on a property tax rate of one cent (\$0.01) per one hundred dollars (\$100) of assessed valuation.

(8) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase the unit's levy in excess of the limitations established under section 3 of this

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chapter if the local government tax control board finds that:

(A) the civil taxing unit is:

(i) a county having a population of more than one hundred ~~forty-eight~~ **seventy** thousand (~~148,000~~) **(170,000)** but less than one hundred ~~seventy~~ **seventy-five** thousand (~~170,000~~); **(175,000)**;

(ii) a city having a population of more than ~~fifty-five~~ **sixty-five** thousand (~~55,000~~) **(65,000)** but less than ~~fifty-nine~~ **seventy** thousand (~~59,000~~); **(70,000)**;

(iii) a city having a population of more than ~~twenty-eight~~ **twenty-nine** thousand ~~seven~~ **five** hundred (~~28,700~~) **(29,500)** but less than twenty-nine thousand (~~29,000~~); **six hundred (29,600)**;

(iv) a city having a population of more than ~~fifteen~~ **thirteen** thousand four hundred (~~15,400~~) **fifty (13,450)** but less than ~~sixteen~~ **thirteen** thousand ~~six~~ **five** hundred (~~16,600~~); **(13,500)**; or

(v) a city having a population of more than ~~seven~~ **eight** thousand (~~7,000~~) **seven hundred (8,700)** but less than ~~seven~~ **nine** thousand ~~three~~ **hundred** (~~7,300~~); **(9,000)**; and

(B) the increase is necessary to provide funding to undertake removal (as defined in IC 13-11-2-187) and remedial action (as defined in IC 13-11-2-185) relating to hazardous substances (as defined in IC 13-11-2-98) in solid waste disposal facilities or industrial sites in the civil taxing unit that have become a menace to the public health and welfare.

The maximum increase that the local government tax control board may recommend for such a civil taxing unit is the levy that would result from a property tax rate of six and sixty-seven hundredths cents (\$0.0667) for each one hundred dollars (\$100) of assessed valuation. For purposes of computing the ad valorem property tax levy limit imposed on a civil taxing unit under section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a particular year does not include that part of the levy imposed under this subdivision. In addition, a property tax increase permitted under this subdivision may be imposed for only two (2) calendar years.

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

(A) having a population of more than eighty thousand (80,000) but less than ninety thousand (90,000) to increase the county's

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1 levy in excess of the limitations established under section 3 of
2 this chapter, if the local government tax control board finds
3 that the county needs the increase to meet the county's share of
4 the costs of operating a jail or juvenile detention center,
5 including expansion of the facility, if the jail or juvenile
6 detention center is opened after December 31, 1991;
7 (B) that operates a county jail or juvenile detention center that
8 is subject to an order that:
9 (i) was issued by a federal district court; and
10 (ii) has not been terminated;
11 (C) that operates a county jail that fails to meet:
12 (i) American Correctional Association Jail Construction
13 Standards; and
14 (ii) Indiana jail operation standards adopted by the
15 department of correction; or
16 (D) that operates a juvenile detention center that fails to meet
17 standards equivalent to the standards described in clause (C)
18 for the operation of juvenile detention centers.
19 Before recommending an increase, the local government tax
20 control board shall consider all other revenues available to the
21 county that could be applied for that purpose. An appeal for
22 operating funds for a jail or a juvenile detention center shall be
23 considered individually, if a jail and juvenile detention center are
24 both opened in one (1) county. The maximum aggregate levy
25 increases that the local government tax control board may
26 recommend for a county equals the county's share of the costs of
27 operating the jail or a juvenile detention center for the first full
28 calendar year in which the jail or juvenile detention center is in
29 operation.
30 (10) A levy increase may not be granted under this subdivision for
31 property taxes first due and payable after December 31, 2008.
32 Permission for a township to increase its levy in excess of the
33 limitations established under section 3 of this chapter, if the local
34 government tax control board finds that the township needs the
35 increase so that the property tax rate to pay the costs of furnishing
36 fire protection for a township, or a portion of a township, enables
37 the township to pay a fair and reasonable amount under a contract
38 with the municipality that is furnishing the fire protection.
39 However, for the first time an appeal is granted the resulting rate
40 increase may not exceed fifty percent (50%) of the difference
41 between the rate imposed for fire protection within the
42 municipality that is providing the fire protection to the township

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1 and the township's rate. A township is required to appeal a second
 2 time for an increase under this subdivision if the township wants
 3 to further increase its rate. However, a township's rate may be
 4 increased to equal but may not exceed the rate that is used by the
 5 municipality. More than one (1) township served by the same
 6 municipality may use this appeal.

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

23 (12) Permission to a city having a population of more than
 24 ~~twenty-nine~~ **thirty-one** thousand (~~29,000~~) **five hundred (31,500)**
 25 but less than thirty-one thousand (~~31,000~~) **seven hundred**
 26 **twenty-five (31,725)** to increase its levy in excess of the
 27 limitations established under section 3 of this chapter if:

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

31 (B) the increase has been approved by the legislative body of
 32 the city, and the legislative body of the city has by resolution
 33 determined that the increase is necessary to pay normal
 34 operating expenses.

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

39 (13) A levy increase may be granted under this subdivision only
 40 for property taxes first due and payable after December 31, 2008.
 41 Permission to a civil taxing unit to increase its levy in excess of
 42 the limitations established under section 3 of this chapter if the

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

5 (14) Permission to Jefferson County to increase its levy in excess
 6 of the limitations established under section 3 of this chapter if the
 7 department finds that the county experienced a property tax
 8 revenue shortfall that resulted from an erroneous estimate of the
 9 effect of the supplemental deduction under IC 6-1.1-12-37.5 on
 10 the county's assessed valuation. An appeal for a levy increase
 11 under this subdivision may not be denied because of the amount
 12 of cash balances in county funds. The maximum increase in the
 13 county's levy that may be approved under this subdivision is three
 14 hundred thousand dollars (\$300,000).

15 (b) The department of local government finance shall increase the
 16 maximum permissible ad valorem property tax levy under section 3 of
 17 this chapter for the city of Goshen for 2012 and thereafter by an
 18 amount equal to the greater of zero (0) or the result of:

19 (1) the city's total pension costs in 2009 for the 1925 police
 20 pension fund (IC 36-8-6) and the 1937 firefighters' pension fund
 21 (IC 36-8-7); minus

22 (2) the sum of:

23 (A) the total amount of state funds received in 2009 by the city
 24 and used to pay benefits to members of the 1925 police
 25 pension fund (IC 36-8-6) or the 1937 firefighters' pension fund
 26 (IC 36-8-7); plus

27 (B) any previous permanent increases to the city's levy that
 28 were authorized to account for the transfer to the state of the
 29 responsibility to pay benefits to members of the 1925 police
 30 pension fund (IC 36-8-6) and the 1937 firefighters' pension
 31 fund (IC 36-8-7).

32 SECTION 39. IC 6-1.1-28-8 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 8. (a) The county
 34 property tax assessment board shall remain in session until the board's
 35 duties are complete.

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

41 (c) The department of local government finance may also call a
 42 session of the county property tax assessment board after completion

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1 of a general reassessment of real property **under IC 6-1.1-4-4 or a**
 2 **reassessment under a county's reassessment plan prepared under**
 3 **IC 6-1.1-4-4.2.** The department of local government finance shall fix
 4 the time for and duration of the session.

5 SECTION 40. IC 6-1.1-31-9 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 9. (a) Except as
 7 provided in subsection (b), the department of local government finance
 8 may not adopt rules for the appraisal of real property:

9 (1) in a general reassessment **under IC 6-1.1-4-4; or**

10 (2) **in a reassessment under a county's reassessment plan**
 11 **prepared under IC 6-1.1-4-4.2;**

12 after July 1 of the year before the year in which the ~~general~~
 13 reassessment is scheduled to begin.

14 (b) If rules ~~for the appraisal of real property in a general~~
 15 **reassessment described in subsection (a)** are timely adopted under
 16 subsection (a) and are then disapproved by the attorney general for any
 17 reason under IC 4-22-2-32, the department of local government finance
 18 may modify the rules to cure the defect that resulted in disapproval by
 19 the attorney general, and may then take all actions necessary under
 20 IC 4-22-2 to readopt and to obtain approval of the rules. This process
 21 may be repeated as necessary until the rules are approved.

22 SECTION 41. IC 6-1.1-33.5-6 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 6. (a) With
 24 respect to any township or county for any year, the department of local
 25 government finance may initiate a review to determine whether to order
 26 a special reassessment under this chapter. The review may apply to real
 27 property or personal property, or both.

28 (b) If the department of local government finance determines under
 29 subsection (a) ~~of this chapter~~ to initiate a review with respect to the real
 30 property **subject to reassessment under IC 6-1.1-4-4** within a
 31 township or county, or a portion of the real property within a township
 32 or county, the division of data analysis of the department shall
 33 determine for the real property under consideration and for the
 34 township or county the variance between:

35 (1) the total assessed valuation of the real property within the
 36 township or county; and

37 (2) the total assessed valuation that would result if the real
 38 property within the township or county were valued in the manner
 39 provided by law.

40 (c) **If the department of local government finance determines**
 41 **under subsection (a) to initiate a review with respect to the real**
 42 **property within a particular cycle under a county's reassessment**

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1 plan prepared under IC 6-1.1-4-4.2 or a portion of the real
 2 property within a cycle, the division of data analysis of the
 3 department shall determine for the real property under
 4 consideration and for all groups of parcels within a particular
 5 cycle, the variance between:

6 (1) the total assessed valuation of the real property within all
 7 groups of parcels within a particular cycle; and

8 (2) the total assessed valuation that would result if the real
 9 property within all groups of parcels within a particular cycle
 10 were valued in the manner provided by law.

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

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

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

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

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

30 ~~(f)~~ (g) If:

31 (1) the variance determined under subsection (b), ~~or~~ (c), ~~or~~ (d)
 32 exceeds twenty percent (20%); and

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

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

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

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

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1 (2) IC 6-1.1-14.

2 ~~(h)~~ (i) The department of local government finance shall give notice
3 to a taxpayer, by individual notice or by publication at the discretion of
4 the department, of a hearing concerning the department's intent to
5 cause the assessment of the taxpayer's property to be adjusted under
6 this section. The time fixed for the hearing must be at least ten (10)
7 days after the day the notice is mailed or published. The department
8 may conduct a single hearing under this section with respect to
9 multiple properties. The notice must state:

10 (1) the time of the hearing;

11 (2) the location of the hearing; and

12 (3) that the purpose of the hearing is to hear taxpayers' comments
13 and objections with respect to the department's intent to adjust the
14 assessment of property under this chapter.

15 ~~(i)~~ (j) If the department of local government finance determines
16 after the hearing that the assessment of property should be adjusted
17 under this chapter, the department shall:

18 (1) cause the assessment of the property to be adjusted;

19 (2) mail a certified notice of its final determination to the county
20 auditor of the county in which the property is located; and

21 (3) notify the taxpayer as required under IC 6-1.1-14.

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

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

30 SECTION 42. IC 6-1.1-34-1, AS AMENDED BY P.L.182-2009(ss),
31 SECTION 170, IS AMENDED TO READ AS FOLLOWS
32 [EFFECTIVE JANUARY 1, 2013]: Sec. 1. In the year after:

33 (1) a general assessment of real property **under IC 6-1.1-4-4**
34 becomes effective; **or**

35 (2) **a reassessment cycle of real property under a county's**
36 **reassessment plan prepared under IC 6-1.1-4-4.2 is**
37 **completed;**

38 the department of local government finance shall compute a new
39 assessment ratio for each school corporation located in a county in
40 which a supplemental county levy is imposed under IC 20-45-7 or
41 IC 20-45-8. In all other years, the department shall compute a new
42 assessment ratio for such a school corporation if the department finds

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1 that there has been sufficient reassessment or adjustment of one (1) or
 2 more classes of property in the school district. When the department of
 3 local government finance computes a new assessment ratio for a school
 4 corporation, the department shall publish the new ratio.

5 SECTION 43. IC 6-1.1-34-7, AS AMENDED BY P.L.182-2009(ss),
 6 SECTION 171, IS AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE JANUARY 1, 2013]: Sec. 7. (a) Each year in which the
 8 department of local government finance computes a new assessment
 9 ratio for a school corporation, the department shall also compute a new
 10 adjustment factor for the school corporation. If the school corporation's
 11 assessment ratio for a year is more than ninety-nine percent (99%) but
 12 less than one hundred one percent (101%) of the state average
 13 assessment ratio for that year, the school corporation's adjustment
 14 factor is the number one (1). In all other cases, the school corporation's
 15 adjustment factor equals:

- 16 (1) the state average assessment ratio for a year; divided by
- 17 (2) the school corporation's assessment ratio for that year.

18 The department of local government finance shall notify the school
 19 corporation of its new adjustment factor before March 2 of the year in
 20 which the department calculates the new adjustment factor.

21 (b) This subsection applies in a calendar year after which:

- 22 (1) a general reassessment **under IC 6-1.1-4-4** takes effect; or
- 23 (2) a cycle under a county's reassessment plan prepared under
 24 **IC 6-1.1-4-4.2 is completed.**

25 If the department of local government finance has not computed a new
 26 assessment ratio for a school corporation, the school corporation's
 27 adjustment factor is the number one (1) until the department of local
 28 government finance notifies the school corporation of the school
 29 corporation's new adjustment factor.

30 SECTION 44. IC 6-1.1-39-5, AS AMENDED BY P.L.146-2008,
 31 SECTION 296, IS AMENDED TO READ AS FOLLOWS
 32 [EFFECTIVE JANUARY 1, 2013]: Sec. 5. (a) A declaratory ordinance
 33 adopted under section 2 of this chapter and confirmed under section 3
 34 of this chapter must include a provision with respect to the allocation
 35 and distribution of property taxes for the purposes and in the manner
 36 provided in this section. The allocation provision must apply to the
 37 entire economic development district. The allocation provisions must
 38 require that any property taxes subsequently levied by or for the benefit
 39 of any public body entitled to a distribution of property taxes on taxable
 40 property in the economic development district be allocated and
 41 distributed as follows:

- 42 (1) Except as otherwise provided in this section, the proceeds of



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- 1 the taxes attributable to the lesser of:
 2 (A) the assessed value of the property for the assessment date
 3 with respect to which the allocation and distribution is made;
 4 or
 5 (B) the base assessed value;
 6 shall be allocated to and, when collected, paid into the funds of
 7 the respective taxing units. However, if the effective date of the
 8 allocation provision of a declaratory ordinance is after March 1,
 9 1985, and before January 1, 1986, and if an improvement to
 10 property was partially completed on March 1, 1985, the unit may
 11 provide in the declaratory ordinance that the taxes attributable to
 12 the assessed value of the property as finally determined for March
 13 1, 1984, shall be allocated to and, when collected, paid into the
 14 funds of the respective taxing units.
- 15 (2) Except as otherwise provided in this section, part or all of the
 16 property tax proceeds in excess of those described in subdivision
 17 (1), as specified in the declaratory ordinance, shall be allocated to
 18 the unit for the economic development district and, when
 19 collected, paid into a special fund established by the unit for that
 20 economic development district that may be used only to pay the
 21 principal of and interest on obligations owed by the unit under
 22 IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of
 23 industrial development programs in, or serving, that economic
 24 development district. The amount not paid into the special fund
 25 shall be paid to the respective units in the manner prescribed by
 26 subdivision (1).
- 27 (3) When the money in the fund is sufficient to pay all
 28 outstanding principal of and interest (to the earliest date on which
 29 the obligations can be redeemed) on obligations owed by the unit
 30 under IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing
 31 of industrial development programs in, or serving, that economic
 32 development district, money in the special fund in excess of that
 33 amount shall be paid to the respective taxing units in the manner
 34 prescribed by subdivision (1).
- 35 (b) Property tax proceeds allocable to the economic development
 36 district under subsection (a)(2) must, subject to subsection (a)(3), be
 37 irrevocably pledged by the unit for payment as set forth in subsection
 38 (a)(2).
- 39 (c) For the purpose of allocating taxes levied by or for any taxing
 40 unit or units, the assessed value of taxable property in a territory in the
 41 economic development district that is annexed by any taxing unit after
 42 the effective date of the allocation provision of the declaratory

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1 ordinance is the lesser of:
2 (1) the assessed value of the property for the assessment date with
3 respect to which the allocation and distribution is made; or
4 (2) the base assessed value.
5 (d) Notwithstanding any other law, each assessor shall, upon
6 petition of the fiscal body, reassess the taxable property situated upon
7 or in, or added to, the economic development district effective on the
8 next assessment date after the petition.
9 (e) Notwithstanding any other law, the assessed value of all taxable
10 property in the economic development district, for purposes of tax
11 limitation, property tax replacement, and formulation of the budget, tax
12 rate, and tax levy for each political subdivision in which the property
13 is located, is the lesser of:
14 (1) the assessed value of the property as valued without regard to
15 this section; or
16 (2) the base assessed value.
17 (f) The state board of accounts and department of local government
18 finance shall make the rules and prescribe the forms and procedures
19 that they consider expedient for the implementation of this chapter.
20 After each:
21 **(1) general reassessment under ~~IC 6-1.1-4~~, IC 6-1.1-4-4; or**
22 **(2) reassessment of a group of parcels under a county's**
23 **reassessment plan prepared under IC 6-1.1-4-4.2;**
24 the department of local government finance shall adjust the base
25 assessed value one (1) time to neutralize any effect of the ~~general~~
26 reassessment on the property tax proceeds allocated to the district
27 under this section. After each annual adjustment under IC 6-1.1-4-4.5,
28 the department of local government finance shall adjust the base
29 assessed value to neutralize any effect of the annual adjustment on the
30 property tax proceeds allocated to the district under this section.
31 However, the adjustments under this subsection may not include the
32 effect of property tax abatements under IC 6-1.1-12.1.
33 (g) As used in this section, "property taxes" means:
34 (1) taxes imposed under this article on real property; and
35 (2) any part of the taxes imposed under this article on depreciable
36 personal property that the unit has by ordinance allocated to the
37 economic development district. However, the ordinance may not
38 limit the allocation to taxes on depreciable personal property with
39 any particular useful life or lives.
40 If a unit had, by ordinance adopted before May 8, 1987, allocated to an
41 economic development district property taxes imposed under IC 6-1.1
42 on depreciable personal property that has a useful life in excess of eight

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1 (8) years, the ordinance continues in effect until an ordinance is
2 adopted by the unit under subdivision (2).

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

4 (1) the net assessed value of all the property as finally determined
5 for the assessment date immediately preceding the effective date
6 of the allocation provision of the declaratory resolution, as
7 adjusted under subsection (f); plus

8 (2) to the extent that it is not included in subdivision (1), the net
9 assessed value of property that is assessed as residential property
10 under the rules of the department of local government finance, as
11 finally determined for any assessment date after the effective date
12 of the allocation provision.

13 Subdivision (2) applies only to economic development districts
14 established after June 30, 1997, and to additional areas established
15 after June 30, 1997.

16 SECTION 45. IC 6-1.1-42-28, AS AMENDED BY P.L.219-2007,
17 SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 JANUARY 1, 2013]: Sec. 28. (a) Subject to this section and section 34
19 of this chapter, the amount of the deduction which the property owner
20 is entitled to receive under this chapter for a particular year equals the
21 product of:

22 (1) the increase in the assessed value resulting from the
23 remediation and redevelopment in the zone or the location of
24 personal property in the zone, or both; multiplied by

25 (2) the percentage determined under subsection (b).

26 (b) The percentage to be used in calculating the deduction under
27 subsection (a) is as follows:

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

29 YEAR OF DEDUCTION	PERCENTAGE
30 1st	100%
31 2nd	66%
32 3rd	33%

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

34 YEAR OF DEDUCTION	PERCENTAGE
35 1st	100%
36 2nd	85%
37 3rd	66%
38 4th	50%
39 5th	34%
40 6th	17%

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

42 YEAR OF DEDUCTION	PERCENTAGE
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1	1st	100%
2	2nd	95%
3	3rd	80%
4	4th	65%
5	5th	50%
6	6th	40%
7	7th	30%
8	8th	20%
9	9th	10%
10	10th	5%

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

(1) If a:

(A) general reassessment of real property **under IC 6-1.1-4-4;**

or

(B) **reassessment under a county's reassessment plan prepared under IC 6-1.1-4-4.2;**

occurs within the particular period of the deduction, the amount determined under subsection (a)(1) shall be adjusted to reflect the percentage increase or decrease in assessed valuation that resulted from the ~~general~~ reassessment.

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

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

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

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

(B) has contributed;

a contaminant (as defined in IC 13-11-2-42) that is the subject of the voluntary remediation, as determined under the written standards adopted by the department of environmental management.

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

SECTION 46. IC 33-26-8-1, AS AMENDED BY P.L.1-2007, SECTION 213, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 1. As used in this chapter, "contractor" means a ~~general~~ reassessment, ~~general~~ reassessment

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1 review, or special reassessment contractor of the department of local
2 government finance under IC 6-1.1-4-32 (repealed).

3 SECTION 47. IC 33-26-8-3, AS AMENDED BY P.L.1-2007,
4 SECTION 214, IS AMENDED TO READ AS FOLLOWS
5 [EFFECTIVE JANUARY 1, 2013]: Sec. 3. As used in this chapter,
6 "qualifying official" refers to any of the following:

- 7 (1) A county assessor of a qualifying county.
- 8 (2) A township assessor of a qualifying county.
- 9 (3) The county auditor of a qualifying county.
- 10 (4) The treasurer of a qualifying county.
- 11 (5) The county surveyor of a qualifying county.
- 12 (6) A member of the land valuation committee in a qualifying
13 county.
- 14 (7) Any other township or county official in a qualifying county
15 who has possession or control of information necessary or useful
16 for a ~~general~~ reassessment, ~~general~~ reassessment review, or
17 special reassessment of property to which IC 6-1.1-4-32
18 (repealed) applies, including information in the possession or
19 control of an employee or a contractor of the official.
- 20 (8) Any county official in a qualifying county who has control,
21 review, or other responsibilities related to paying claims of a
22 contractor submitted for payment under IC 6-1.1-4-32 (repealed).

23 SECTION 48. IC 36-2-7-13, AS AMENDED BY P.L.146-2008,
24 SECTION 691, IS AMENDED TO READ AS FOLLOWS
25 [EFFECTIVE JANUARY 1, 2013]: Sec. 13. The county fiscal body
26 may grant to the county assessor, in addition to the compensation fixed
27 under IC 36-2-5, a per diem for each day that the assessor is engaged
28 in ~~general~~ reassessment activities **under IC 6-1.1-4-4 or under a**
29 **reassessment plan prepared under IC 6-1.1-4-4.2.** This section
30 applies regardless of whether professional assessing services are
31 provided under a contract to one (1) or more townships in the county.

32 SECTION 49. IC 36-6-8-5, AS AMENDED BY P.L.146-2008,
33 SECTION 717, IS AMENDED TO READ AS FOLLOWS
34 [EFFECTIVE JANUARY 1, 2013]: Sec. 5. (a) When performing the
35 real property reassessment duties ~~prescribed by IC 6-1.1-4,~~ **under**
36 **IC 6-1.1-4-4 or a county's reassessment plan prepared under**
37 **IC 6-1.1-4-4.2,** a township assessor may receive per diem
38 compensation, in addition to salary, at a rate fixed by the county fiscal
39 body, for each day that the assessor is engaged in reassessment
40 activities.

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



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SECTION 50. IC 36-7-14-39, AS AMENDED BY P.L.203-2011, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 39. (a) As used in this section:

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

"Base assessed value" means the following:

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

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

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

(2) If an allocation provision is adopted after June 30, 1997, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area:

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

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

(3) If:

(A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;

the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted

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- 1 under subsection (h).
- 2 (4) Except as provided in subdivision (5), for all other allocation
- 3 areas, the net assessed value of all the property as finally
- 4 determined for the assessment date immediately preceding the
- 5 effective date of the allocation provision of the declaratory
- 6 resolution, as adjusted under subsection (h).
- 7 (5) If an allocation area established in an economic development
- 8 area before July 1, 1995, is expanded after June 30, 1995, the
- 9 definition in subdivision (1) applies to the expanded part of the
- 10 area added after June 30, 1995.
- 11 (6) If an allocation area established in a redevelopment project
- 12 area before July 1, 1997, is expanded after June 30, 1997, the
- 13 definition in subdivision (2) applies to the expanded part of the
- 14 area added after June 30, 1997.

15 Except as provided in section 39.3 of this chapter, "property taxes"
 16 means taxes imposed under IC 6-1.1 on real property. However, upon
 17 approval by a resolution of the redevelopment commission adopted
 18 before June 1, 1987, "property taxes" also includes taxes imposed
 19 under IC 6-1.1 on depreciable personal property. If a redevelopment
 20 commission adopted before June 1, 1987, a resolution to include within
 21 the definition of property taxes taxes imposed under IC 6-1.1 on
 22 depreciable personal property that has a useful life in excess of eight
 23 (8) years, the commission may by resolution determine the percentage
 24 of taxes imposed under IC 6-1.1 on all depreciable personal property
 25 that will be included within the definition of property taxes. However,
 26 the percentage included must not exceed twenty-five percent (25%) of
 27 the taxes imposed under IC 6-1.1 on all depreciable personal property.

28 (b) A declaratory resolution adopted under section 15 of this chapter
 29 on or before the allocation deadline determined under subsection (i)
 30 may include a provision with respect to the allocation and distribution
 31 of property taxes for the purposes and in the manner provided in this
 32 section. A declaratory resolution previously adopted may include an
 33 allocation provision by the amendment of that declaratory resolution on
 34 or before the allocation deadline determined under subsection (i) in
 35 accordance with the procedures required for its original adoption. A
 36 declaratory resolution or an amendment that establishes an allocation
 37 provision after June 30, 1995, must specify an expiration date for the
 38 allocation provision. For an allocation area established before July 1,
 39 2008, the expiration date may not be more than thirty (30) years after
 40 the date on which the allocation provision is established. For an
 41 allocation area established after June 30, 2008, the expiration date may
 42 not be more than twenty-five (25) years after the date on which the first

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

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

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

18 or

19 (B) the base assessed value;

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

22 (2) The excess of the proceeds of the property taxes imposed for
 23 the assessment date with respect to which the allocation and
 24 distribution is made that are attributable to taxes imposed after
 25 being approved by the voters in a referendum or local public
 26 question conducted after April 30, 2010, not otherwise included
 27 in subdivision (1) shall be allocated to and, when collected, paid
 28 into the funds of the taxing unit for which the referendum or local
 29 public question was conducted.

30 (3) Except as otherwise provided in this section, property tax
 31 proceeds in excess of those described in subdivisions (1) and (2)
 32 shall be allocated to the redevelopment district and, when
 33 collected, paid into an allocation fund for that allocation area that
 34 may be used by the redevelopment district only to do one (1) or
 35 more of the following:

36 (A) Pay the principal of and interest on any obligations
 37 payable solely from allocated tax proceeds which are incurred
 38 by the redevelopment district for the purpose of financing or
 39 refinancing the redevelopment of that allocation area.

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



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

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

5 If not all the taxpayers in an allocation area receive the credit
 6 in full, each taxpayer in the allocation area is entitled to
 7 receive the same proportion of the credit. A taxpayer may not
 8 receive a credit under this section and a credit under section
 9 39.5 of this chapter (before its repeal) in the same year.

10 (J) Pay expenses incurred by the redevelopment commission
 11 for local public improvements that are in the allocation area or
 12 serving the allocation area. Public improvements include
 13 buildings, parking facilities, and other items described in
 14 section 25.1(a) of this chapter.

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

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

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

29 (L) Pay the costs of carrying out an eligible efficiency project
 30 (as defined in IC 36-9-41-1.5) within the unit that established
 31 the redevelopment commission. However, property tax
 32 proceeds may be used under this clause to pay the costs of
 33 carrying out an eligible efficiency project only if those
 34 property tax proceeds exceed the amount necessary to do the
 35 following:

36 (i) Make, when due, any payments required under clauses
 37 (A) through (K), including any payments of principal and
 38 interest on bonds and other obligations payable under this
 39 subdivision, any payments of premiums under this
 40 subdivision on the redemption before maturity of bonds, and
 41 any payments on leases payable under this subdivision.
 42 (ii) Make any reimbursements required under this

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1 subdivision.
 2 (iii) Pay any expenses required under this subdivision.
 3 (iv) Establish, augment, or restore any debt service reserve
 4 under this subdivision.
 5 The allocation fund may not be used for operating expenses of the
 6 commission.
 7 (4) Except as provided in subsection (g), before July 15 of each
 8 year the commission shall do the following:
 9 (A) Determine the amount, if any, by which the assessed value
 10 of the taxable property in the allocation area for the most
 11 recent assessment date minus the base assessed value, when
 12 multiplied by the estimated tax rate of the allocation area, will
 13 exceed the amount of assessed value needed to produce the
 14 property taxes necessary to make, when due, principal and
 15 interest payments on bonds described in subdivision (3), plus
 16 the amount necessary for other purposes described in
 17 subdivision (3).
 18 (B) Provide a written notice to the county auditor, the fiscal
 19 body of the county or municipality that established the
 20 department of redevelopment, and the officers who are
 21 authorized to fix budgets, tax rates, and tax levies under
 22 IC 6-1.1-17-5 for each of the other taxing units that is wholly
 23 or partly located within the allocation area. The notice must:
 24 (i) state the amount, if any, of excess assessed value that the
 25 commission has determined may be allocated to the
 26 respective taxing units in the manner prescribed in
 27 subdivision (1); or
 28 (ii) state that the commission has determined that there is no
 29 excess assessed value that may be allocated to the respective
 30 taxing units in the manner prescribed in subdivision (1).
 31 The county auditor shall allocate to the respective taxing units
 32 the amount, if any, of excess assessed value determined by the
 33 commission. The commission may not authorize an allocation
 34 of assessed value to the respective taxing units under this
 35 subdivision if to do so would endanger the interests of the
 36 holders of bonds described in subdivision (3) or lessors under
 37 section 25.3 of this chapter.
 38 (c) For the purpose of allocating taxes levied by or for any taxing
 39 unit or units, the assessed value of taxable property in a territory in the
 40 allocation area that is annexed by any taxing unit after the effective
 41 date of the allocation provision of the declaratory resolution is the
 42 lesser of:

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

4 (d) Property tax proceeds allocable to the redevelopment district
 5 under subsection (b)(3) may, subject to subsection (b)(4), be
 6 irrevocably pledged by the redevelopment district for payment as set
 7 forth in subsection (b)(3).

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

12 (f) Notwithstanding any other law, the assessed value of all taxable
 13 property in the allocation area, for purposes of tax limitation, property
 14 tax replacement, and formulation of the budget, tax rate, and tax levy
 15 for each political subdivision in which the property is located is the
 16 lesser of:

17 (1) the assessed value of the property as valued without regard to
 18 this section; or
 19 (2) the base assessed value.

20 (g) If any part of the allocation area is located in an enterprise zone
 21 created under IC 5-28-15, the unit that designated the allocation area
 22 shall create funds as specified in this subsection. A unit that has
 23 obligations, bonds, or leases payable from allocated tax proceeds under
 24 subsection (b)(3) shall establish an allocation fund for the purposes
 25 specified in subsection (b)(3) and a special zone fund. Such a unit
 26 shall, until the end of the enterprise zone phase out period, deposit each
 27 year in the special zone fund any amount in the allocation fund derived
 28 from property tax proceeds in excess of those described in subsection
 29 (b)(1) and (b)(2) from property located in the enterprise zone that
 30 exceeds the amount sufficient for the purposes specified in subsection
 31 (b)(3) for the year. The amount sufficient for purposes specified in
 32 subsection (b)(3) for the year shall be determined based on the pro rata
 33 portion of such current property tax proceeds from the part of the
 34 enterprise zone that is within the allocation area as compared to all
 35 such current property tax proceeds derived from the allocation area. A
 36 unit that has no obligations, bonds, or leases payable from allocated tax
 37 proceeds under subsection (b)(3) shall establish a special zone fund
 38 and deposit all the property tax proceeds in excess of those described
 39 in subsection (b)(1) and (b)(2) in the fund derived from property tax
 40 proceeds in excess of those described in subsection (b)(1) and (b)(2)
 41 from property located in the enterprise zone. The unit that creates the
 42 special zone fund shall use the fund (based on the recommendations of

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1 the urban enterprise association) for programs in job training, job
 2 enrichment, and basic skill development that are designed to benefit
 3 residents and employers in the enterprise zone or other purposes
 4 specified in subsection (b)(3), except that where reference is made in
 5 subsection (b)(3) to allocation area it shall refer for purposes of
 6 payments from the special zone fund only to that part of the allocation
 7 area that is also located in the enterprise zone. Those programs shall
 8 reserve at least one-half (1/2) of their enrollment in any session for
 9 residents of the enterprise zone.

10 (h) The state board of accounts and department of local government
 11 finance shall make the rules and prescribe the forms and procedures
 12 that they consider expedient for the implementation of this chapter.
 13 After each general reassessment of real property in an area under
 14 **IC 6-1.1-4-4 and after each reassessment in an area under a**
 15 **county's reassessment plan prepared under IC 6-1.1-4,**
 16 **IC 6-1.1-4-4.2,** the department of local government finance shall adjust
 17 the base assessed value one (1) time to neutralize any effect of the
 18 ~~general reassessment~~ **assessment of the real property in the area** on
 19 the property tax proceeds allocated to the redevelopment district under
 20 this section. After each annual adjustment under IC 6-1.1-4-4.5, the
 21 department of local government finance shall adjust the base assessed
 22 value one (1) time to neutralize any effect of the annual adjustment on
 23 the property tax proceeds allocated to the redevelopment district under
 24 this section. However, the adjustments under this subsection may not
 25 include the effect of property tax abatements under IC 6-1.1-12.1, and
 26 these adjustments may not produce less property tax proceeds allocable
 27 to the redevelopment district under subsection (b)(3) than would
 28 otherwise have been received if the general reassessment, **the**
 29 **reassessment under the reassessment plan,** or the annual adjustment
 30 had not occurred. The department of local government finance may
 31 prescribe procedures for county and township officials to follow to
 32 assist the department in making the adjustments.

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

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

36 (2) Subject to subdivision (3), the initial allocation deadline and
 37 subsequent allocation deadlines are automatically extended in
 38 increments of five (5) years, so that allocation deadlines
 39 subsequent to the initial allocation deadline fall on December 31,
 40 2016, and December 31 of each fifth year thereafter.

41 (3) At least one (1) year before the date of an allocation deadline
 42 determined under subdivision (2), the general assembly may enact

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1 a law that:
 2 (A) terminates the automatic extension of allocation deadlines
 3 under subdivision (2); and
 4 (B) specifically designates a particular date as the final
 5 allocation deadline.
 6 SECTION 51. IC 36-7-15.1-26, AS AMENDED BY P.L.203-2011,
 7 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JANUARY 1, 2013]: Sec. 26. (a) As used in this section:
 9 "Allocation area" means that part of a redevelopment project area
 10 to which an allocation provision of a resolution adopted under section
 11 8 of this chapter refers for purposes of distribution and allocation of
 12 property taxes.
 13 "Base assessed value" means the following:
 14 (1) If an allocation provision is adopted after June 30, 1995, in a
 15 declaratory resolution or an amendment to a declaratory
 16 resolution establishing an economic development area:
 17 (A) the net assessed value of all the property as finally
 18 determined for the assessment date immediately preceding the
 19 effective date of the allocation provision of the declaratory
 20 resolution, as adjusted under subsection (h); plus
 21 (B) to the extent that it is not included in clause (A), the net
 22 assessed value of property that is assessed as residential
 23 property under the rules of the department of local government
 24 finance, as finally determined for any assessment date after the
 25 effective date of the allocation provision.
 26 (2) If an allocation provision is adopted after June 30, 1997, in a
 27 declaratory resolution or an amendment to a declaratory
 28 resolution establishing a redevelopment project area:
 29 (A) the net assessed value of all the property as finally
 30 determined for the assessment date immediately preceding the
 31 effective date of the allocation provision of the declaratory
 32 resolution, as adjusted under subsection (h); plus
 33 (B) to the extent that it is not included in clause (A), the net
 34 assessed value of property that is assessed as residential
 35 property under the rules of the department of local government
 36 finance, as finally determined for any assessment date after the
 37 effective date of the allocation provision.
 38 (3) If:
 39 (A) an allocation provision adopted before June 30, 1995, in
 40 a declaratory resolution or an amendment to a declaratory
 41 resolution establishing a redevelopment project area expires
 42 after June 30, 1997; and

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1 (B) after June 30, 1997, a new allocation provision is included
 2 in an amendment to the declaratory resolution;
 3 the net assessed value of all the property as finally determined for
 4 the assessment date immediately preceding the effective date of
 5 the allocation provision adopted after June 30, 1997, as adjusted
 6 under subsection (h).

7 (4) Except as provided in subdivision (5), for all other allocation
 8 areas, the net assessed value of all the property as finally
 9 determined for the assessment date immediately preceding the
 10 effective date of the allocation provision of the declaratory
 11 resolution, as adjusted under subsection (h).

12 (5) If an allocation area established in an economic development
 13 area before July 1, 1995, is expanded after June 30, 1995, the
 14 definition in subdivision (1) applies to the expanded part of the
 15 area added after June 30, 1995.

16 (6) If an allocation area established in a redevelopment project
 17 area before July 1, 1997, is expanded after June 30, 1997, the
 18 definition in subdivision (2) applies to the expanded part of the
 19 area added after June 30, 1997.

20 Except as provided in section 26.2 of this chapter, "property taxes"
 21 means taxes imposed under IC 6-1.1 on real property. However, upon
 22 approval by a resolution of the redevelopment commission adopted
 23 before June 1, 1987, "property taxes" also includes taxes imposed
 24 under IC 6-1.1 on depreciable personal property. If a redevelopment
 25 commission adopted before June 1, 1987, a resolution to include within
 26 the definition of property taxes taxes imposed under IC 6-1.1 on
 27 depreciable personal property that has a useful life in excess of eight
 28 (8) years, the commission may by resolution determine the percentage
 29 of taxes imposed under IC 6-1.1 on all depreciable personal property
 30 that will be included within the definition of property taxes. However,
 31 the percentage included must not exceed twenty-five percent (25%) of
 32 the taxes imposed under IC 6-1.1 on all depreciable personal property.

33 (b) A resolution adopted under section 8 of this chapter on or before
 34 the allocation deadline determined under subsection (i) may include a
 35 provision with respect to the allocation and distribution of property
 36 taxes for the purposes and in the manner provided in this section. A
 37 resolution previously adopted may include an allocation provision by
 38 the amendment of that resolution on or before the allocation deadline
 39 determined under subsection (i) in accordance with the procedures
 40 required for its original adoption. A declaratory resolution or an
 41 amendment that establishes an allocation provision after June 30, 1995,
 42 must specify an expiration date for the allocation provision. For an

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

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

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

24 (B) the base assessed value;
 25 shall be allocated to and, when collected, paid into the funds of
 26 the respective taxing units.

27 (2) The excess of the proceeds of the property taxes imposed for
 28 the assessment date with respect to which the allocation and
 29 distribution is made that are attributable to taxes imposed after
 30 being approved by the voters in a referendum or local public
 31 question conducted after April 30, 2010, not otherwise included
 32 in subdivision (1) shall be allocated to and, when collected, paid
 33 into the funds of the taxing unit for which the referendum or local
 34 public question was conducted.

35 (3) Except as otherwise provided in this section, property tax
 36 proceeds in excess of those described in subdivisions (1) and (2)
 37 shall be allocated to the redevelopment district and, when
 38 collected, paid into a special fund for that allocation area that may
 39 be used by the redevelopment district only to do one (1) or more
 40 of the following:

41 (A) Pay the principal of and interest on any obligations
 42 payable solely from allocated tax proceeds that are incurred by

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- 1 the redevelopment district for the purpose of financing or
- 2 refinancing the redevelopment of that allocation area.
- 3 (B) Establish, augment, or restore the debt service reserve for
- 4 bonds payable solely or in part from allocated tax proceeds in
- 5 that allocation area.
- 6 (C) Pay the principal of and interest on bonds payable from
- 7 allocated tax proceeds in that allocation area and from the
- 8 special tax levied under section 19 of this chapter.
- 9 (D) Pay the principal of and interest on bonds issued by the
- 10 consolidated city to pay for local public improvements that are
- 11 physically located in or physically connected to that allocation
- 12 area.
- 13 (E) Pay premiums on the redemption before maturity of bonds
- 14 payable solely or in part from allocated tax proceeds in that
- 15 allocation area.
- 16 (F) Make payments on leases payable from allocated tax
- 17 proceeds in that allocation area under section 17.1 of this
- 18 chapter.
- 19 (G) Reimburse the consolidated city for expenditures for local
- 20 public improvements (which include buildings, parking
- 21 facilities, and other items set forth in section 17 of this
- 22 chapter) that are physically located in or physically connected
- 23 to that allocation area.
- 24 (H) Reimburse the unit for rentals paid by it for a building or
- 25 parking facility that is physically located in or physically
- 26 connected to that allocation area under any lease entered into
- 27 under IC 36-1-10.
- 28 (I) Reimburse public and private entities for expenses incurred
- 29 in training employees of industrial facilities that are located:
- 30 (i) in the allocation area; and
- 31 (ii) on a parcel of real property that has been classified as
- 32 industrial property under the rules of the department of local
- 33 government finance.
- 34 However, the total amount of money spent for this purpose in
- 35 any year may not exceed the total amount of money in the
- 36 allocation fund that is attributable to property taxes paid by the
- 37 industrial facilities described in this clause. The
- 38 reimbursements under this clause must be made within three
- 39 (3) years after the date on which the investments that are the
- 40 basis for the increment financing are made.
- 41 (J) Pay the costs of carrying out an eligible efficiency project
- 42 (as defined in IC 36-9-41-1.5) within the unit that established

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the redevelopment commission. However, property tax proceeds may be used under this clause to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:

- (i) Make, when due, any payments required under clauses (A) through (I), including any payments of principal and interest on bonds and other obligations payable under this subdivision, any payments of premiums under this subdivision on the redemption before maturity of bonds, and any payments on leases payable under this subdivision.
- (ii) Make any reimbursements required under this subdivision.
- (iii) Pay any expenses required under this subdivision.
- (iv) Establish, augment, or restore any debt service reserve under this subdivision.

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

(4) Before July 15 of each year, the commission shall do the following:

- (A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivision (3) and subsection (g).
- (B) Provide a written notice to the county auditor, the legislative body of the consolidated city, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The notice must:
 - (i) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1); or
 - (ii) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units

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

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

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

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

16 (A) Businesses operating in the enterprise zone.

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

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

24 (h) The state board of accounts and department of local government
 25 finance shall make the rules and prescribe the forms and procedures
 26 that they consider expedient for the implementation of this chapter.
 27 After each general reassessment **of real property in an area under**
 28 **IC 6-1.1-4-4 and after each reassessment under a county's**
 29 **reassessment plan prepared** under ~~IC 6-1.1-4~~, **IC 6-1.1-4-4.2**, the
 30 department of local government finance shall adjust the base assessed
 31 value one (1) time to neutralize any effect of the ~~general~~ reassessment
 32 **of the real property in the area** on the property tax proceeds allocated
 33 to the redevelopment district under this section. After each annual
 34 adjustment under IC 6-1.1-4-4.5, the department of local government
 35 finance shall adjust the base assessed value to neutralize any effect of
 36 the annual adjustment on the property tax proceeds allocated to the
 37 redevelopment district under this section. However, the adjustments
 38 under this subsection may not include the effect of property tax
 39 abatements under IC 6-1.1-12.1, and these adjustments may not
 40 produce less property tax proceeds allocable to the redevelopment
 41 district under subsection (b)(3) than would otherwise have been
 42 received if the general reassessment, **reassessment under the**

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1 **reassessment plan**, or annual adjustment had not occurred. The
 2 department of local government finance may prescribe procedures for
 3 county and township officials to follow to assist the department in
 4 making the adjustments.

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

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

8 (2) Subject to subdivision (3), the initial allocation deadline and
 9 subsequent allocation deadlines are automatically extended in
 10 increments of five (5) years, so that allocation deadlines
 11 subsequent to the initial allocation deadline fall on December 31,
 12 2016, and December 31 of each fifth year thereafter.

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

16 (A) terminates the automatic extension of allocation deadlines
 17 under subdivision (2); and

18 (B) specifically designates a particular date as the final
 19 allocation deadline.

20 SECTION 52. IC 36-7-15.1-53, AS AMENDED BY P.L.203-2011,
 21 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JANUARY 1, 2013]: Sec. 53. (a) As used in this section:

23 "Allocation area" means that part of a redevelopment project area
 24 to which an allocation provision of a resolution adopted under section
 25 40 of this chapter refers for purposes of distribution and allocation of
 26 property taxes.

27 "Base assessed value" means:

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

32 (2) to the extent that it is not included in subdivision (1), the net
 33 assessed value of property that is assessed as residential property
 34 under the rules of the department of local government finance, as
 35 finally determined for any assessment date after the effective date
 36 of the allocation provision.

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

39 (b) A resolution adopted under section 40 of this chapter on or
 40 before the allocation deadline determined under subsection (i) may
 41 include a provision with respect to the allocation and distribution of
 42 property taxes for the purposes and in the manner provided in this

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

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

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

30 or

31 (B) the base assessed value;

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

34 (2) The excess of the proceeds of the property taxes imposed for
 35 the assessment date with respect to which the allocation and
 36 distribution is made that are attributable to taxes imposed after
 37 being approved by the voters in a referendum or local public
 38 question conducted after April 30, 2010, not otherwise included
 39 in subdivision (1) shall be allocated to and, when collected, paid
 40 into the funds of the taxing unit for which the referendum or local
 41 public question was conducted.

42 (3) Except as otherwise provided in this section, property tax

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1 proceeds in excess of those described in subdivisions (1) and (2)
 2 shall be allocated to the redevelopment district and, when
 3 collected, paid into a special fund for that allocation area that may
 4 be used by the redevelopment district only to do one (1) or more
 5 of the following:

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

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

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

16 (D) Pay the principal of and interest on bonds issued by the
 17 excluded city to pay for local public improvements that are
 18 physically located in or physically connected to that allocation
 19 area.

20 (E) Pay premiums on the redemption before maturity of bonds
 21 payable solely or in part from allocated tax proceeds in that
 22 allocation area.

23 (F) Make payments on leases payable from allocated tax
 24 proceeds in that allocation area under section 46 of this
 25 chapter.

26 (G) Reimburse the excluded city for expenditures for local
 27 public improvements (which include buildings, park facilities,
 28 and other items set forth in section 45 of this chapter) that are
 29 physically located in or physically connected to that allocation
 30 area.

31 (H) Reimburse the unit for rentals paid by it for a building or
 32 parking facility that is physically located in or physically
 33 connected to that allocation area under any lease entered into
 34 under IC 36-1-10.

35 (I) Reimburse public and private entities for expenses incurred
 36 in training employees of industrial facilities that are located:

37 (i) in the allocation area; and

38 (ii) on a parcel of real property that has been classified as
 39 industrial property under the rules of the department of local
 40 government finance.

41 However, the total amount of money spent for this purpose in
 42 any year may not exceed the total amount of money in the

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

6 The special fund may not be used for operating expenses of the
7 commission.

8 (4) Before July 15 of each year, the commission shall do the
9 following:

10 (A) Determine the amount, if any, by which the assessed value
11 of the taxable property in the allocation area for the most
12 recent assessment date minus the base assessed value, when
13 multiplied by the estimated tax rate of the allocation area, will
14 exceed the amount of assessed value needed to provide the
15 property taxes necessary to make, when due, principal and
16 interest payments on bonds described in subdivision (3) plus
17 the amount necessary for other purposes described in
18 subdivision (3) and subsection (g).

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

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

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

32 The county auditor shall allocate to the respective taxing units
33 the amount, if any, of excess assessed value determined by the
34 commission. The commission may not authorize an allocation
35 to the respective taxing units under this subdivision if to do so
36 would endanger the interests of the holders of bonds described
37 in subdivision (3).

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

42 (1) the assessed value of the property for the assessment date with

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- 1 respect to which the allocation and distribution is made; or
 2 (2) the base assessed value.
- 3 (d) Property tax proceeds allocable to the redevelopment district
 4 under subsection (b)(3) may, subject to subsection (b)(4), be
 5 irrevocably pledged by the redevelopment district for payment as set
 6 forth in subsection (b)(3).
- 7 (e) Notwithstanding any other law, each assessor shall, upon
 8 petition of the commission, reassess the taxable property situated upon
 9 or in, or added to, the allocation area, effective on the next assessment
 10 date after the petition.
- 11 (f) Notwithstanding any other law, the assessed value of all taxable
 12 property in the allocation area, for purposes of tax limitation, property
 13 tax replacement, and formulation of the budget, tax rate, and tax levy
 14 for each political subdivision in which the property is located, is the
 15 lesser of:
- 16 (1) the assessed value of the property as valued without regard to
 17 this section; or
 18 (2) the base assessed value.
- 19 (g) If any part of the allocation area is located in an enterprise zone
 20 created under IC 5-28-15, the unit that designated the allocation area
 21 shall create funds as specified in this subsection. A unit that has
 22 obligations, bonds, or leases payable from allocated tax proceeds under
 23 subsection (b)(3) shall establish an allocation fund for the purposes
 24 specified in subsection (b)(3) and a special zone fund. Such a unit
 25 shall, until the end of the enterprise zone phase out period, deposit each
 26 year in the special zone fund the amount in the allocation fund derived
 27 from property tax proceeds in excess of those described in subsection
 28 (b)(1) and (b)(2) from property located in the enterprise zone that
 29 exceeds the amount sufficient for the purposes specified in subsection
 30 (b)(3) for the year. A unit that has no obligations, bonds, or leases
 31 payable from allocated tax proceeds under subsection (b)(3) shall
 32 establish a special zone fund and deposit all the property tax proceeds
 33 in excess of those described in subsection (b)(1) and (b)(2) in the fund
 34 derived from property tax proceeds in excess of those described in
 35 subsection (b)(1) and (b)(2) from property located in the enterprise
 36 zone. The unit that creates the special zone fund shall use the fund,
 37 based on the recommendations of the urban enterprise association, for
 38 one (1) or more of the following purposes:
- 39 (1) To pay for programs in job training, job enrichment, and basic
 40 skill development designed to benefit residents and employers in
 41 the enterprise zone. The programs must reserve at least one-half
 42 (1/2) of the enrollment in any session for residents of the

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1 enterprise zone.
 2 (2) To make loans and grants for the purpose of stimulating
 3 business activity in the enterprise zone or providing employment
 4 for enterprise zone residents in an enterprise zone. These loans
 5 and grants may be made to the following:
 6 (A) Businesses operating in the enterprise zone.
 7 (B) Businesses that will move their operations to the enterprise
 8 zone if such a loan or grant is made.
 9 (3) To provide funds to carry out other purposes specified in
 10 subsection (b)(3). However, where reference is made in
 11 subsection (b)(3) to the allocation area, the reference refers, for
 12 purposes of payments from the special zone fund, only to that part
 13 of the allocation area that is also located in the enterprise zone.
 14 (h) The state board of accounts and department of local government
 15 finance shall make the rules and prescribe the forms and procedures
 16 that they consider expedient for the implementation of this chapter.
 17 After each general reassessment **of real property in an area under**
 18 **IC 6-1.1-4-4 or reassessment under a county's reassessment plan**
 19 **prepared under IC 6-1.1-4, IC 6-1.1-4.2,** the department of local
 20 government finance shall adjust the base assessed value one (1) time
 21 to neutralize any effect of the ~~general~~ **reassessment of the real**
 22 **property in the area** on the property tax proceeds allocated to the
 23 redevelopment district under this section. After each annual adjustment
 24 under IC 6-1.1-4-4.5, the department of local government finance shall
 25 adjust the base assessed value to neutralize any effect of the annual
 26 adjustment on the property tax proceeds allocated to the redevelopment
 27 district under this section. However, the adjustments under this
 28 subsection may not include the effect of property tax abatements under
 29 IC 6-1.1-12.1, and these adjustments may not produce less property tax
 30 proceeds allocable to the redevelopment district under subsection
 31 (b)(3) than would otherwise have been received if the general
 32 reassessment, **reassessment under the county's reassessment plan,**
 33 or annual adjustment had not occurred. The department of local
 34 government finance may prescribe procedures for county and township
 35 officials to follow to assist the department in making the adjustments.
 36 (i) The allocation deadline referred to in subsection (b) is
 37 determined in the following manner:
 38 (1) The initial allocation deadline is December 31, 2011.
 39 (2) Subject to subdivision (3), the initial allocation deadline and
 40 subsequent allocation deadlines are automatically extended in
 41 increments of five (5) years, so that allocation deadlines
 42 subsequent to the initial allocation deadline fall on December 31,

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1 2016, and December 31 of each fifth year thereafter.
 2 (3) At least one (1) year before the date of an allocation deadline
 3 determined under subdivision (2), the general assembly may enact
 4 a law that:
 5 (A) terminates the automatic extension of allocation deadlines
 6 under subdivision (2); and
 7 (B) specifically designates a particular date as the final
 8 allocation deadline.
 9 SECTION 53. IC 36-7-30-25, AS AMENDED BY P.L.203-2011,
 10 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JANUARY 1, 2013]: Sec. 25. (a) The following definitions apply
 12 throughout this section:
 13 (1) "Allocation area" means that part of a military base reuse area
 14 to which an allocation provision of a declaratory resolution
 15 adopted under section 10 of this chapter refers for purposes of
 16 distribution and allocation of property taxes.
 17 (2) "Base assessed value" means:
 18 (A) the net assessed value of all the property as finally
 19 determined for the assessment date immediately preceding the
 20 adoption date of the allocation provision of the declaratory
 21 resolution, as adjusted under subsection (h); plus
 22 (B) to the extent that it is not included in clause (A) or (C), the
 23 net assessed value of any and all parcels or classes of parcels
 24 identified as part of the base assessed value in the declaratory
 25 resolution or an amendment thereto, as finally determined for
 26 any subsequent assessment date; plus
 27 (C) to the extent that it is not included in clause (A) or (B), the
 28 net assessed value of property that is assessed as residential
 29 property under the rules of the department of local government
 30 finance, as finally determined for any assessment date after the
 31 effective date of the allocation provision.
 32 Clause (C) applies only to allocation areas established in a
 33 military reuse area after June 30, 1997, and to the part of an
 34 allocation area that was established before June 30, 1997, and that
 35 is added to an existing allocation area after June 30, 1997.
 36 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
 37 property.
 38 (b) A declaratory resolution adopted under section 10 of this chapter
 39 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
 40 resolutions adopted under IC 36-7-14-15 may include a provision with
 41 respect to the allocation and distribution of property taxes for the
 42 purposes and in the manner provided in this section. A declaratory

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1 resolution previously adopted may include an allocation provision by
 2 the amendment of that declaratory resolution in accordance with the
 3 procedures set forth in section 13 of this chapter. The allocation
 4 provision may apply to all or part of the military base reuse area. The
 5 allocation provision must require that any property taxes subsequently
 6 levied by or for the benefit of any public body entitled to a distribution
 7 of property taxes on taxable property in the allocation area be allocated
 8 and distributed as follows:

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

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

13 or

14 (B) the base assessed value;

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

17 (2) The excess of the proceeds of the property taxes imposed for
 18 the assessment date with respect to which the allocation and
 19 distribution are made that are attributable to taxes imposed after
 20 being approved by the voters in a referendum or local public
 21 question conducted after April 30, 2010, not otherwise included
 22 in subdivision (1) shall be allocated to and, when collected, paid
 23 into the funds of the taxing unit for which the referendum or local
 24 public question was conducted.

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

30 (1) or more of the following:

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

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

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

42 (D) Reimburse any other governmental body for expenditures

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made for local public improvements (or structures) in or directly serving or benefiting that allocation area.

(E) Pay expenses incurred by the reuse authority, any other department of the unit, or a department of another governmental entity for local public improvements or structures that are in the allocation area or directly serving or benefiting the allocation area, including expenses for the operation and maintenance of these local public improvements or structures if the reuse authority determines those operation and maintenance expenses are necessary or desirable to carry out the purposes of this chapter.

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

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

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

Except as provided in clause (E), the allocation fund may not be used for operating expenses of the reuse authority.

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

(A) Determine the amount, if any, by which property taxes payable to the allocation fund in the following year will exceed the amount of property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivision (3).

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

- (i) state the amount, if any, of excess property taxes that the

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1 reuse authority has determined may be paid to the respective
2 taxing units in the manner prescribed in subdivision (1); or
3 (ii) state that the reuse authority has determined that there
4 are no excess property tax proceeds that may be allocated to
5 the respective taxing units in the manner prescribed in
6 subdivision (1).

7 The county auditor shall allocate to the respective taxing units
8 the amount, if any, of excess property tax proceeds determined
9 by the reuse authority. The reuse authority may not authorize
10 a payment to the respective taxing units under this subdivision
11 if to do so would endanger the interest of the holders of bonds
12 described in subdivision (3) or lessors under section 19 of this
13 chapter.

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

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

21 (d) Property tax proceeds allocable to the military base reuse district
22 under subsection (b)(3) may, subject to subsection (b)(4), be
23 irrevocably pledged by the military base reuse district for payment as
24 set forth in subsection (b)(3).

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

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

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

37 (g) If any part of the allocation area is located in an enterprise zone
38 created under IC 5-28-15, the unit that designated the allocation area
39 shall create funds as specified in this subsection. A unit that has
40 obligations, bonds, or leases payable from allocated tax proceeds under
41 subsection (b)(3) shall establish an allocation fund for the purposes
42 specified in subsection (b)(3) and a special zone fund. Such a unit

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

26 (h) After each general reassessment **of real property in an area**
 27 **under IC 6-1.1-4-4 or reassessment under the county's**
 28 **reassessment plan** under ~~IC 6-1.1-4~~, **IC 6-1.1-4-4.2**, the department
 29 of local government finance shall adjust the base assessed value one (1)
 30 time to neutralize any effect of the ~~general~~ **reassessment of the real**
 31 **property in the area** on the property tax proceeds allocated to the
 32 military base reuse district under this section. After each annual
 33 adjustment under IC 6-1.1-4-4.5, the department of local government
 34 finance shall adjust the base assessed value to neutralize any effect of
 35 the annual adjustment on the property tax proceeds allocated to the
 36 military base reuse district under this section. However, the
 37 adjustments under this subsection may not include the effect of
 38 property tax abatements under IC 6-1.1-12.1, and these adjustments
 39 may not produce less property tax proceeds allocable to the military
 40 base reuse district under subsection (b)(3) than would otherwise have
 41 been received if the general reassessment, **reassessment under the**
 42 **county's reassessment plan**, or annual adjustment had not occurred.



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1 The department of local government finance may prescribe procedures
2 for county and township officials to follow to assist the department in
3 making the adjustments.

4 SECTION 54. IC 36-7-30.5-30, AS AMENDED BY P.L.42-2011,
5 SECTION 80, AND AS AMENDED BY P.L.203-2011, SECTION 20,
6 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
7 [EFFECTIVE JANUARY 1, 2013]: Sec. 30. (a) The following
8 definitions apply throughout this section:

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

13 (2) "Base assessed value" means:
14 (A) the net assessed value of all the property as finally
15 determined for the assessment date immediately preceding the
16 adoption date of the allocation provision of the declaratory
17 resolution, as adjusted under subsection (h); plus
18 (B) to the extent that it is not included in clause (A) or (C), the
19 net assessed value of any and all parcels or classes of parcels
20 identified as part of the base assessed value in the declaratory
21 resolution or an amendment to the declaratory resolution, as
22 finally determined for any subsequent assessment date; plus
23 (C) to the extent that it is not included in clause (A) or (B), the
24 net assessed value of property that is assessed as residential
25 property under the rules of the department of local government
26 finance, as finally determined for any assessment date after the
27 effective date of the allocation provision.

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

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

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1 (1) Except as otherwise provided in this section, the proceeds of
 2 the taxes attributable to the lesser of:
 3 (A) the assessed value of the property for the assessment date
 4 with respect to which the allocation and distribution is made;
 5 or
 6 (B) the base assessed value;
 7 shall be allocated to and, when collected, paid into the funds of
 8 the respective taxing units.
 9 (2) *The excess of the proceeds of the property taxes imposed for*
 10 *the assessment date with respect to which the allocation and*
 11 *distribution is made that are attributable to taxes imposed after*
 12 *being approved by the voters in a referendum or local public*
 13 *question conducted after April 30, 2010, not otherwise included*
 14 *in subdivision (1) shall be allocated to and, when collected, paid*
 15 *into the funds of the taxing unit for which the referendum or local*
 16 *public question was conducted.*
 17 ~~(2)~~ (3) Except as otherwise provided in this section, property tax
 18 proceeds in excess of those described in ~~subdivision~~ subdivisions
 19 (1) and (2) shall be allocated to the development authority and,
 20 when collected, paid into an allocation fund for that allocation
 21 area that may be used by the development authority and only to do
 22 one (1) or more of the following:
 23 (A) Pay the principal of and interest and redemption premium
 24 on any obligations incurred by the development authority or
 25 any other entity for the purpose of financing or refinancing
 26 military base development or reuse activities in or directly
 27 serving or ~~benefitting~~ **benefiting** that allocation area.
 28 (B) Establish, augment, or restore the debt service reserve for
 29 bonds payable solely or in part from allocated tax proceeds in
 30 that allocation area or from other revenues of the development
 31 authority, including lease rental revenues.
 32 (C) Make payments on leases payable solely or in part from
 33 allocated tax proceeds in that allocation area.
 34 (D) Reimburse any other governmental body for expenditures
 35 made for local public improvements (or structures) in or
 36 directly serving or ~~benefitting~~ **benefiting** that allocation area.
 37 (E) For property taxes first due and payable before 2009, pay
 38 all or a part of a property tax replacement credit to taxpayers
 39 in an allocation area as determined by the development
 40 authority. This credit equals the amount determined under the
 41 following STEPS for each taxpayer in a taxing district (as
 42 defined in IC 6-1.1-1-20) that contains all or part of the

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

STEP TWO: Divide:
(i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2 ~~(repealed)~~ (before its repeal)) for that year as determined under IC 6-1.1-21-4 ~~(repealed)~~ (before its repeal) that is attributable to the taxing district; by
(ii) the STEP ONE sum.

STEP THREE: Multiply:
(i) the STEP TWO quotient; by
(ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2 ~~(repealed)~~ (before its repeal)) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

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

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

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

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

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

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- 1 the basis for the increment financing are made.
 2 The allocation fund may not be used for operating expenses of the
 3 development authority.
 4 ~~(3)~~ (4) Except as provided in subsection (g), before July 15 of
 5 each year the development authority shall do the following:
 6 (A) Determine the amount, if any, by which property taxes
 7 payable to the allocation fund in the following year will exceed
 8 the amount of property taxes necessary to make, when due,
 9 principal and interest payments on bonds described in
 10 subdivision ~~(2)~~ (3) plus the amount necessary for other
 11 purposes described in ~~subdivision~~ subdivisions (2) and (3).
 12 (B) Provide a written notice to the appropriate county auditors
 13 and the fiscal bodies and other officers who are authorized to
 14 fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for
 15 each of the other taxing units that is wholly or partly located
 16 within the allocation area. The notice must:
 17 (i) state the amount, if any, of the excess property taxes that
 18 the development authority has determined may be paid to
 19 the respective taxing units in the manner prescribed in
 20 subdivision (1); or
 21 (ii) state that the development authority has determined that
 22 there is no excess assessed value that may be allocated to the
 23 respective taxing units in the manner prescribed in
 24 subdivision (1).
 25 The county auditors shall allocate to the respective taxing units
 26 the amount, if any, of excess assessed value determined by the
 27 development authority. The development authority may not
 28 authorize a payment to the respective taxing units under this
 29 subdivision if to do so would endanger the interest of the
 30 holders of bonds described in subdivision ~~(2)~~ (3) or lessors
 31 under section 24 of this chapter. Property taxes received by a
 32 taxing unit under this subdivision before 2009 are eligible for
 33 the property tax replacement credit provided under IC 6-1.1-21
 34 ~~(repealed)~~. *(before its repeal)*.
 35 (c) For the purpose of allocating taxes levied by or for any taxing
 36 unit or units, the assessed value of taxable property in a territory in the
 37 allocation area that is annexed by a taxing unit after the effective date
 38 of the allocation provision of the declaratory resolution is the lesser of:
 39 (1) the assessed value of the property for the assessment date with
 40 respect to which the allocation and distribution is made; or
 41 (2) the base assessed value.
 42 (d) Property tax proceeds allocable to the military base development

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1 district under subsection ~~(b)(2)~~ (b)(3) may, subject to subsection ~~(b)(3)~~;
 2 (b)(4), be irrevocably pledged by the military base development district
 3 for payment as set forth in subsection ~~(b)(2)~~: (b)(3).

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

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

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

15 (2) the base assessed value.

16 (g) If any part of the allocation area is located in an enterprise zone
 17 created under IC 5-28-15, the development authority shall create funds
 18 as specified in this subsection. A development authority that has
 19 obligations, bonds, or leases payable from allocated tax proceeds under
 20 subsection ~~(b)(2)~~ (b)(3) shall establish an allocation fund for the
 21 purposes specified in subsection ~~(b)(2)~~ (b)(3) and a special zone fund.
 22 The development authority shall, until the end of the enterprise zone
 23 phase out period, deposit each year in the special zone fund any amount
 24 in the allocation fund derived from property tax proceeds in excess of
 25 those described in subsection (b)(1) and (b)(2) from property located
 26 in the enterprise zone that exceeds the amount sufficient for the
 27 purposes specified in subsection ~~(b)(2)~~ (b)(3) for the year. The amount
 28 sufficient for purposes specified in subsection ~~(b)(2)~~ (b)(3) for the year
 29 shall be determined based on the pro rata part of such current property
 30 tax proceeds from the part of the enterprise zone that is within the
 31 allocation area as compared to all such current property tax proceeds
 32 derived from the allocation area. A development authority that does not
 33 have obligations, bonds, or leases payable from allocated tax proceeds
 34 under subsection ~~(b)(2)~~ (b)(3) shall establish a special zone fund and
 35 deposit all the property tax proceeds in excess of those described in
 36 subsection (b)(1) and (b)(2) that are derived from property in the
 37 enterprise zone in the fund. The development authority that creates the
 38 special zone fund shall use the fund (based on the recommendations of
 39 the urban enterprise association) for programs in job training, job
 40 enrichment, and basic skill development that are designed to benefit
 41 residents and employers in the enterprise zone or for other purposes
 42 specified in subsection ~~(b)(2)~~: (b)(3), except that where reference is

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1 made in subsection ~~(b)(2)~~ (b)(3) to an allocation area it shall refer for
 2 purposes of payments from the special zone fund only to that part of the
 3 allocation area that is also located in the enterprise zone. The programs
 4 shall reserve at least one-half (1/2) of their enrollment in any session
 5 for residents of the enterprise zone.

6 (h) After each general reassessment of real property in an area
 7 under IC 6-1.1-4-4 or reassessment under a county's reassessment
 8 plan prepared under ~~IC 6-1.1-4~~, IC 6-1.1-4-4.2, the department of
 9 local government finance shall adjust the base assessed value one (1)
 10 time to neutralize any effect of the general reassessment of the real
 11 property in the area on the property tax proceeds allocated to the
 12 military base development district under this section. After each annual
 13 adjustment under IC 6-1.1-4-4.5, the department of local government
 14 finance shall adjust the base assessed value to neutralize any effect of
 15 the annual adjustment on the property tax proceeds allocated to the
 16 military base development district under this section. However, the
 17 adjustments under this subsection may not include the effect of
 18 property tax abatements under IC 6-1.1-12.1, and these adjustments
 19 may not produce less property tax proceeds allocable to the military
 20 base development district under subsection ~~(b)(2)~~ (b)(3) than would
 21 otherwise have been received if the general reassessment,
 22 reassessment under the county's reassessment plan, or annual
 23 adjustment had not occurred. The department of local government
 24 finance may prescribe procedures for county and township officials to
 25 follow to assist the department in making the adjustments.

26 SECTION 55. IC 36-7-32-19, AS AMENDED BY P.L.154-2006,
 27 SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JANUARY 1, 2013]: Sec. 19. (a) The state board of accounts and
 29 department of local government finance shall make the rules and
 30 prescribe the forms and procedures that the state board of accounts and
 31 department of local government finance consider appropriate for the
 32 implementation of an allocation area under this chapter.

33 (b) After each general reassessment of real property in an area
 34 under IC 6-1.1-4-4 or reassessment under a county's reassessment
 35 plan prepared under ~~IC 6-1.1-4~~, IC 6-1.1-4-4.2, the department of
 36 local government finance shall adjust the base assessed value one (1)
 37 time to neutralize any effect of the general reassessment of the real
 38 property in the area on the property tax proceeds allocated to the
 39 certified technology park fund under section 17 of this chapter. After
 40 each annual adjustment under IC 6-1.1-4-4.5, the department of local
 41 government finance shall adjust the base assessed value to neutralize
 42 any effect of the annual adjustment on the property tax proceeds



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1 allocated to the certified technology park fund under section 17 of this
2 chapter.

3 SECTION 56. **An emergency is declared for this act.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1190, 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.

ESPICH, Chair

Committee Vote: yeas 17, nays 1.

 COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred House Bill No. 1190, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Replace the effective date in SECTION 11 with "[EFFECTIVE JULY 1, 2012]".

Page 2, delete lines 4 through 42, begin a new paragraph and insert:

"SECTION 2. IC 6-1.1-4-4.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: **Sec. 4.2. (a) The county assessor of each county shall, before July 1, 2013, and before July 1 of every fourth year thereafter, prepare and submit to the department of local government finance a reassessment plan for the county. The following apply to a reassessment plan prepared and submitted under this section:**

- (1) **The reassessment plan is subject to approval by the department of local government finance. The department of local government finance shall complete its review and approval of the reassessment plan before March 1 of the year following the year in which the reassessment plan is submitted by the county.**
- (2) **The department of local government finance shall determine the classes of real property to be used for purposes of this section.**
- (3) **Except as provided in subsection (b), the reassessment plan must divide all parcels of real property in the county into four**
- (4) **different groups of parcels. Each group of parcels must contain approximately twenty-five percent (25%) of the parcels within each class of real property in the county.**

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(5) Except as provided in subsection (b), all real property in each group of parcels shall be reassessed under the county's reassessment plan once during each four (4) year cycle.

(6) The reassessment of a group of parcels in a particular class of real property must begin on July 1 of a year.

(7) The reassessment of parcels:

(A) must include a physical inspection of each parcel of real property in the group of parcels that is being reassessed; and

(B) must be completed on or before March 1 of the year after the year in which the reassessment of the group of parcels begins.

(8) For real property included in a group of parcels that is reassessed, the reassessment is the basis for taxes payable in the year following the year in which the reassessment is to be completed.

(9) The reassessment plan must specify the dates by which the assessor must submit land values under section 13.6 of this chapter to the county property tax assessment board of appeals.

(10) Subject to review and approval by the department of local government finance, the county assessor may modify the reassessment plan.

(b) A county may submit a reassessment plan that provides for reassessing more than twenty-five percent (25%) of all parcels of real property in the county in a particular year. A plan may provide that all parcels are to be reassessed in one (1) year. However, a plan must cover a four (4) year period. All real property in each group of parcels must be reassessed under the county's reassessment plan once during each reassessment cycle.

(c) The reassessment of the first group of parcels under a county's reassessment plan shall begin on July 1, 2014, and must be completed on or before March 1, 2015."

Page 3, delete lines 1 through 8.

Page 4, line 13, strike "a".

Page 4, line 14, after "property" insert "that is".

Page 4, line 14, after "chapter" insert "and".

Page 5, between lines 36 and 37, begin a new paragraph and insert: "SECTION 7. IC 6-1.1-4-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 9. In order to maintain a just and equitable valuation of real property, the department of local government finance may adopt a resolution declaring its belief

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that it is necessary to reassess all or a portion of the real property located within this state. If the department of local government finance adopts a reassessment resolution and if either a township or a larger area is involved **(for assessments before March 1, 2015) or one (1) or more groups of parcels under the county's reassessment plan are involved (for assessments after February 28, 2015)**, the department shall hold a hearing concerning the necessity for the reassessment at the courthouse of the county in which the property is located. The department of local government finance shall give notice of the time and place of the hearing in the manner provided in section 10 of this chapter. After the hearing, or if the area involved is less than a township **(for assessments before March 1, 2015) or is less than one (1) group of parcels under the county's reassessment plan (for assessments after February 28, 2015)**, after the adoption of the resolution of the department of local government finance, the department may order any reassessment it deems necessary. The order shall specify the time within which the reassessment must be completed and the date the reassessment will become effective."

Page 6, between lines 22 and 23, begin a new paragraph and insert:

"SECTION 9. IC 6-1.1-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE FEBRUARY 29, 2012 (RETROACTIVE)]:
Sec. 13. (a) In assessing or reassessing land, the land shall be assessed as agricultural land only when it is devoted to agricultural use.

(b) The department of local government finance shall give written notice to each county assessor of:

- (1) the availability of the United States Department of Agriculture's soil survey data; and
- (2) the appropriate soil productivity factor for each type or classification of soil shown on the United States Department of Agriculture's soil survey map.

All assessing officials and the property tax assessment board of appeals shall use the data in determining the true tax value of agricultural land.

However, notwithstanding the availability of new soil productivity factors and the department of local government finance's notice of the appropriate soil productivity factor for each type or classification of soil shown on the United States Department of Agriculture's soil survey map for the March 1, 2012, assessment date, the soil productivity factors used for the March 1, 2011, assessment date shall be used for the March 1, 2012, assessment date. New soil productivity factors shall be used for assessment dates occurring after March 1, 2012.

(c) The department of local government finance shall by rule



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provide for the method for determining the true tax value of each parcel of agricultural land.

(d) This section does not apply to land purchased for industrial, commercial, or residential uses.

SECTION 10. IC 6-1.1-4-13.6, AS AMENDED BY P.L.113-2010, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 13.6. (a) The county assessor shall determine the values of all classes of commercial, industrial, and residential land (including farm homesites) in the county using guidelines determined by the department of local government finance. ~~Not later than July 1, 2011, and every fourth year thereafter,~~ The assessor determining the values of land shall submit the values to the county property tax assessment board of appeals **by the dates specified in the county's reassessment plan under section 4.2 of this chapter.**

(b) If the county assessor fails to determine land values under subsection (a) before the ~~July 1 deadline,~~ **deadlines in the county's reassessment plan under section 4.2 of this chapter,** the county property tax assessment board of appeals shall determine the values. If the county property tax assessment board of appeals fails to determine the values before the land values become effective, the department of local government finance shall determine the values.

(c) The county assessor shall notify all township assessors in the county (if any) of the values. Assessing officials shall use the values determined under this section.

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

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

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

- (1) shall review the land values determined by the county assessor; and
- (2) after a public hearing, shall:
 - (A) approve;
 - (B) modify; or
 - (C) disapprove;
 the land values."

Page 8, delete lines 20 through 42, begin a new paragraph and insert:

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"SECTION 14. IC 6-1.1-4-21.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: **Sec. 21.4. (a) The appraisals of the parcels in a group under a county's reassessment plan prepared under section 4.2 of this chapter that are subject to taxation must be completed as follows:**

(1) The appraisal of one-third (1/3) of the parcels must be completed before October 1 of the year in which the group's reassessment under the county reassessment plan begins.

(2) The appraisal of two-thirds (2/3) of the parcels must be completed before January 1 of the year following the year in which the group's reassessment under the county reassessment plan begins.

(3) The appraisal of all the parcels must be completed before March 1 of the year following the year in which the group's reassessment under the county reassessment plan begins.

(b) If a county assessor employs a professional appraiser or a professional appraisal firm to make real property appraisals of a group of parcels under a county's reassessment plan, the professional appraiser or appraisal firm must file appraisal reports with the county assessor by the dates set forth in subsection (a).

SECTION 15. IC 6-1.1-4-22, AS AMENDED BY P.L.136-2009, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2013]: **Sec. 22. (a) If any assessing official assesses or reassesses any real property under this article (including an annual adjustment under section 4.5 of this chapter) the official shall give notice to the taxpayer and the county assessor, by mail or by using electronic mail that includes a secure Internet link to the information in the notice, of the amount of the assessment or reassessment.**

(b) During a period of general reassessment, Each township or county assessor shall ~~mail~~ provide the notice required by this section within by the earlier of:

(1) ninety (90) days after the assessor:

(1) (A) completes the appraisal of a parcel; or

(2) (B) receives a report for a parcel from a professional appraiser or professional appraisal firm; or

(2) April 10 of the year containing the assessment date for which the assessment or reassessment first applies.

(c) The notice required by this section is in addition to any required notice of assessment or reassessment included in a property tax statement under IC 6-1.1-22 or IC 6-1.1-22.5.



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~~(e)~~ (d) The notice required by this section must include notice to the person of the opportunity to appeal the assessed valuation under IC 6-1.1-15-1.

~~(d)~~ (e) Notice of the opportunity to appeal the assessed valuation required under subsection ~~(e)~~ (d) must include the following:

- (1) The procedure that a taxpayer must follow to appeal the assessment or reassessment.
- (2) The forms that must be filed for an appeal of the assessment or reassessment.
- (3) Notice that an appeal of the assessment or reassessment requires evidence relevant to the true tax value of the taxpayer's property as of the assessment date.

SECTION 16. IC 6-1.1-4-27.5, AS AMENDED BY P.L.172-2011, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 27.5. (a) The auditor of each county shall establish a property reassessment fund. The county treasurer shall deposit all collections resulting from the property taxes that the county levies for the county's property reassessment fund.

~~(b) With respect to the general reassessment of real property that is to commence on July 1, 2010, the county council of each county shall, for property taxes due in 2006, 2007, 2008, and 2009, levy in each year against all the taxable property in the county an amount equal to one-fourth (1/4) of the remainder of:~~

- ~~(1) the estimated costs referred to in section 28.5(a) of this chapter; minus~~
- ~~(2) the amount levied under this section by the county council for property taxes due in 2004 and 2005.~~

~~(e)~~ (b) With respect to a ~~general~~ reassessment of real property that is to commence on July 1, 2015, and each fifth year thereafter, **under a county's reassessment plan under section 4.2 of this chapter**, the county council of each county shall, for property taxes due ~~in the year that the general reassessment is to commence and the four (4) years preceding that each~~ year, levy against all the taxable property in the county an amount equal to ~~one-fifth (1/5) of the estimated costs of the general reassessment under section 28.5 of this chapter~~ **for the group of parcels to be reassessed in that year.**

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

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

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- (1) a ~~general~~ reassessment of one (1) or more groups of parcels under a county's reassessment plan prepared under section 4.2 of this chapter; or
- (2) making annual adjustments under section 4.5 of this chapter; has changed.

~~(f)~~ (e) The county assessor may petition the county fiscal body to increase the levy under subsection (b) or ~~(c)~~ to pay for the costs of:

- (1) a ~~general~~ reassessment of one (1) or more groups of parcels under a county's reassessment plan prepared under section 4.2 of this chapter;
- (2) verification under 50 IAC 21-3-2 of sales disclosure forms forwarded to the county assessor under IC 6-1.1-5.5-3; or
- (3) processing annual adjustments under section 4.5 of this chapter.

The assessor must document the needs and reasons for the increased funding.

~~(g)~~ (f) If the county fiscal body denies a petition under subsection ~~(f)~~, (e), the county assessor may appeal to the department of local government finance. The department of local government finance shall:

- (1) hear the appeal; and
- (2) determine whether the additional levy is necessary."

Delete page 9.

Page 10, delete lines 1 through 37.

Page 12, delete lines 15 through 42 and insert:

"SECTION 19. IC 6-1.1-4-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 30. (a) In making any assessment or reassessment of real property in the interim between general reassessments **under section 4 of this chapter**, the rules, regulations, and standards for assessment are the same as those used in the preceding general reassessment.

(b) In making any assessment or reassessment of real property between reassessments of that real property under a county's reassessment plan prepared under section 4.2 of this chapter, the rules, regulations, and standards for assessment are the same as those used for that real property in the preceding reassessment of that group of parcels under a county's reassessment plan.

SECTION 20. IC 6-1.1-4-31, AS AMENDED BY P.L.113-2010, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 31. (a) The department of local government finance shall periodically check the conduct of:

- (1) a general reassessment of ~~property~~ **under section 4 of this chapter;**

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- (2) a reassessment of a group of parcels under a county's reassessment plan prepared under section 4.2 of this chapter;**
- ~~(3)~~ **(3) work required to be performed by local officials under 50 IAC 21; and**
- ~~(4)~~ **(4) other property assessment activities in the county, as determined by the department.**

The department of local government finance may inform township assessors (if any), county assessors, and the presidents of county councils in writing if its check reveals that the general reassessment, **the reassessment of a group of parcels under a county's reassessment plan prepared under section 4.2 of this chapter**, or other property assessment activities are not being properly conducted, work required to be performed by local officials under 50 IAC 21 is not being properly conducted, or property assessments are not being properly made.

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

- (1) the general reassessment **under section 4 of this chapter, a reassessment of a group of parcels under a county's reassessment plan prepared under section 4.2 of this chapter**, or other property assessment activities are being properly conducted;
- (2) work required to be performed by local officials under 50 IAC 21 is being properly conducted; or
- (3) property assessments are being properly made.

- (c) If the department of local government finance:
 - (1) determines under subsection (a) that a general reassessment **under section 4 of this chapter, a reassessment of a group of parcels under a county's reassessment plan prepared under section 4.2 of this chapter**, or other assessment activities ~~for a general reassessment year or any other year~~ are not being properly conducted; and
 - (2) informs:
 - (A) the township assessor (if any) of each affected township;
 - (B) the county assessor; and
 - (C) the president of the county council;

in writing under subsection (a); the department may order a state conducted assessment or reassessment under section 31.5 of this chapter to begin not less than sixty (60) days after the date of the notice under subdivision (2).

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

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- (1) determines under subsection (a) that work required to be performed by local officials under 50 IAC 21 is not being properly conducted; and
- (2) informs:
 - (A) the township assessor of each affected township (if any);
 - (B) the county assessor; and
 - (C) the president of the county council;in writing under subsection (a);

the department may conduct the work or contract to have the work conducted to begin not less than sixty (60) days after the date of the notice under subdivision (2). If the department determines during the period between the date of the notice under subdivision (2) and the proposed date for beginning the work or having the work conducted that work required to be performed by local officials under 50 IAC 21 is being properly conducted, the department may rescind the order.

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

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

- (1) Determine that:
 - (A) the information indicates that the county assessor has failed to perform adequately the duties of county assessor; and
 - (B) by that failure the county assessor forfeits the office of county assessor and is subject to removal from office by an information filed under IC 34-17-2-1(b).
- (2) Determine that:
 - (A) the information indicates that one (1) or more township assessors in the county have failed to perform adequately the duties of township assessor; and
 - (B) by that failure the township assessor or township assessors forfeit the office of township assessor and are subject to removal from office by an information filed under IC 34-17-2-1(b).

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

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(f).

SECTION 21. IC 6-1.1-4-31.5, AS AMENDED BY P.L.146-2008, SECTION 82, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 31.5. (a) As used in this section, "department" refers to the department of local government finance.

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

(c) If the department orders a state conducted assessment or reassessment in a county, the department shall assume the duties of the county assessor. Notwithstanding sections 15 and 17 of this chapter, a county assessor subject to an order issued under this section may not assess property or have property assessed for the assessment or general reassessment **under section 4 of this chapter or under a county's reassessment plan prepared under section 4.2 of this chapter.** Until the state conducted assessment or reassessment is completed under this section, the assessment or reassessment duties of the county assessor are limited to providing the department or a contractor of the department the support and information requested by the department or the contractor.

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

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

- (1) data;
- (2) records;
- (3) maps;
- (4) parcel record cards;
- (5) forms;
- (6) computer software systems;
- (7) computer hardware systems; and
- (8) other information;

related to the assessment or reassessment of real property in the county. The information described in this subsection must be provided at no

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cost to the department or the contractor of the department. A failure to provide information requested under this subsection constitutes a failure to perform a duty related to an assessment or a general reassessment **under section 4 of this chapter or under a county's reassessment plan prepared under section 4.2 of this chapter** and is subject to IC 6-1.1-37-2.

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

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

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

- (1) is subject to appeal by the taxpayer under section 31.7 of this chapter; and
- (2) must include a statement of the taxpayer's rights under section 31.7 of this chapter.

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

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

- (1) submits to the department a fully itemized, certified bill in the form required by IC 5-11-10-1 for the costs of the work performed under the contract;
- (2) obtains from the department:
 - (A) approval of the form and amount of the bill; and
 - (B) a certification that the billed goods and services have been received and comply with the contract; and
- (3) files with the county auditor:



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- (A) a duplicate copy of the bill submitted to the department;
- (B) proof of the department's approval of the form and amount of the bill; and
- (C) the department's certification that the billed goods and services have been received and comply with the contract.

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

(j) Notwithstanding IC 4-13-2, a period of seven (7) days is permitted for each of the following to review and act under IC 4-13-2 on a contract of the department entered into under this section:

- (1) The commissioner of the Indiana department of administration.
- (2) The director of the budget agency.
- (3) The attorney general.

(k) If money in the county's property reassessment fund is insufficient to pay for an assessment or reassessment conducted under this section, the department may increase the tax rate and tax levy of the county's property reassessment fund to pay the cost and expenses related to the assessment or reassessment.

(l) The department or the contractor of the department shall use the land values determined under section 13.6 of this chapter for a county subject to an order issued under this section to the extent that the department or the contractor finds that the land values reflect the true

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tax value of land, as determined under this article and the rules of the department. If the department or the contractor finds that the land values determined for the county under section 13.6 of this chapter do not reflect the true tax value of land, the department or the contractor shall determine land values for the county that reflect the true tax value of land, as determined under this article and the rules of the department. Land values determined under this subsection shall be used to the same extent as if the land values had been determined under section 13.6 of this chapter. The department or the contractor of the department shall notify the county's assessing officials of the land values determined under this subsection.

(m) A contractor of the department may notify the department if:

(1) a county auditor fails to:

(A) certify the contractor's bill;

(B) publish the contractor's claim;

(C) submit the contractor's claim to the county executive; or

(D) issue a warrant or check for payment of the contractor's bill;

as required by subsection (i) at the county auditor's first legal opportunity to do so;

(2) a county executive fails to allow the contractor's claim as legally required by subsection (i) at the county executive's first legal opportunity to do so; or

(3) a person or an entity authorized to act on behalf of the county takes or fails to take an action, including failure to request an appropriation, and that action or failure to act delays or halts progress under this section for payment of the contractor's bill.

(n) The department, upon receiving notice under subsection (m) from a contractor of the department, shall:

(1) verify the accuracy of the contractor's assertion in the notice that:

(A) a failure occurred as described in subsection (m)(1) or (m)(2); or

(B) a person or an entity acted or failed to act as described in subsection (m)(3); and

(2) provide to the treasurer of state the department's approval under subsection (i)(2)(A) of the contractor's bill with respect to which the contractor gave notice under subsection (m).

(o) Upon receipt of the department's approval of a contractor's bill under subsection (n), the treasurer of state shall pay the contractor the amount of the bill approved by the department from money in the possession of the state that would otherwise be available for

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distribution to the county, including distributions of admissions taxes or wagering taxes.

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

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

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

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

Delete page 13.

Page 14, delete lines 1 through 30.

Page 16, line 10, reset in roman "The".

Page 16, line 10, delete "A".

Page 16, line 10, reset in roman "prescribed by".

Page 16, line 10, delete "determined under".

Page 16, line 12, reset in roman "the method set forth in"

Page 16, line 12, delete "an alternative abatement schedule".

Page 16, line 13, delete "provided under".

Page 16, line 18, reset in roman "general".

page 16, line 35, reset in roman "(d)(10)".

Page 16, line 35, delete "(d)(5)".

Page 26, line 37, delete ";" and insert ",".

Page 26, line 37, strike "excluding".

Page 26, line 38, strike "years in which a general reassessment".

Page 26, line 38, delete "under IC 6-1.1-4-4".

Page 26, line 38, strike "occurs,".

Page 26, line 39, strike "determined".

Page 26, line 40, delete ";" and insert "**to account for reassessment under IC 6-1.1-4-4 or IC 6-1.1-4-4.2;**".

Page 30, line 6, after "general" insert "**the**".

Page 30, line 12, strike "general" and insert "**the**".

Page 30, line 12, after "reassessment" insert "**under IC 6-1.1-4-4 or IC 6-1.1-4-4.2**".



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Page 30, line 13, after "general" insert "**the**".
Page 30, line 18, delete "or IC 6-1.1-4-4.2".
Page 31, line 21, after "general" insert "**the**".
Page 31, line 27, after "general" insert "**the**".
Page 31, line 29, after "general" insert "**the**".
Page 33, line 24, after "general" insert "**the**".
Page 33, line 30, after "general" insert "**the**".
Page 33, line 32, strike "general" and insert "**the**".
Page 33, line 36, delete "or IC 6-1.1-4-4.2".
Page 34, line 41, delete "county's".
Page 67, line 35, after "area" insert "**under IC 6-1.1-4-4**".
Page 85, after line 9, begin a new paragraph and insert:
"SECTION 52. **An emergency is declared for this act.**".
Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1190 as printed January 23, 2012.)

KENLEY, Chairperson

Committee Vote: Yeas 12, Nays 0.

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