



February 24, 2012

**ENGROSSED  
SENATE BILL No. 19**

DIGEST OF SB 19 (Updated February 21, 2012 2:06 pm - DI 113)

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

**Synopsis:** Real property reassessment. 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 plan. Requires the reassessment of the first group of  
(Continued next page)

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

**Boots, Hershman, Delph, Holdman,  
Smith J, Broden, Buck, Randolph,  
Charbonneau**

(HOUSE SPONSOR — RICHARDSON)

January 4, 2012, read first time and referred to Committee on Tax and Fiscal Policy.  
January 10, 2012, amended, reported favorably — Do Pass.  
January 17, 2012, read second time, ordered engrossed.  
January 18, 2012, engrossed.  
January 19, 2012, read third time, passed. Yeas 48, nays 0.

**HOUSE ACTION**

January 31, 2012, read first time and referred to Committee on Ways and Means.  
February 23, 2012, amended, reported — Do Pass.

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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. 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 values determined by the DLGF for March 1, 2012.

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February 24, 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 SENATE BILL No. 19

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; 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.  
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 (4) 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 (5) The reassessment of a group of parcels in a particular  
 30 class of real property shall begin on July 1 of a year.

31 (6) 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) shall 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 (7) 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 (8) 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           **(9) Subject to review and approval by the department of local**  
5           **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 shall 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 shall 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 of any  
25 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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- reassessment begins.
- (2) The appraisal of one-half (1/2) of the parcels shall be completed before May 1 of the year following the year in which the general reassessment begins.
- (3) The appraisal of three-fourths (3/4) of the parcels shall be completed before October 1 of the year following the year in which the general reassessment begins.
- (4) The appraisal of all the parcels shall be completed before March 1 of the second year following the year in which the general reassessment begins.

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

- (1) The appraisals for one-fourth (1/4) of the parcels shall be reported before December 1 of the year in which the general reassessment begins.
- (2) The appraisals for one-half (1/2) of the parcels shall be reported before May 1 of the year following the year in which the general reassessment begins.
- (3) The appraisals for three-fourths (3/4) of the parcels shall be reported before October 1 of the year following the year in which the general reassessment begins.
- (4) The appraisals for all the parcels shall be reported before March 1 of the second year following the year in which the general reassessment begins.

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

SECTION 15. 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 shall 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 shall be completed before January 1 of the year following the year in which the group's reassessment under the county reassessment plan begins.**

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1           **(3) The appraisal of all the parcels shall 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) reassessments 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) reassessments 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 HEA  
33 1009-2012, SECTION 40, IS AMENDED TO READ AS FOLLOWS  
34 [EFFECTIVE JANUARY 1, 2013]: Sec. 4. (a) Except as provided in  
35 section 2(i)(4) of this chapter, and subject to section 15 of this chapter,  
36 the amount of the deduction which the property owner is entitled to  
37 receive under section 3 of this chapter for a particular year equals the  
38 product of:

- 39 (1) the increase in the assessed value resulting from the  
40 rehabilitation or redevelopment; multiplied by  
41 (2) either of the following:  
42 (A) The percentage prescribed in the table set forth in

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1 subsection (d).  
 2 (B) A percentage determined under section 17 of this chapter  
 3 if the designating body elects to use an alternative abatement  
 4 schedule provided under section 17 of this chapter.

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

- 8 (1) If:  
 9 (A) a general reassessment of real property **under**  
 10 **IC 6-1.1-4-4; or**  
 11 (B) **a reassessment under a county's reassessment plan**  
 12 **prepared under IC 6-1.1-4-4.2;**

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

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

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

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

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

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

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

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

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

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

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

37 (c) The department of local government finance shall prescribe a  
 38 form for the statement of benefits. The statement of benefits must  
 39 include the following information:

- 40 (1) A description of the eligible vacant building that the property  
 41 owner or a tenant of the property owner will occupy.  
 42 (2) An estimate of the number of individuals who will be

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1 employed or whose employment will be retained by the property  
2 owner or the tenant as a result of the occupation of the eligible  
3 vacant building, and an estimate of the annual salaries of those  
4 individuals.

5 (3) Information regarding efforts by the owner or a previous  
6 owner to sell, lease, or rent the eligible vacant building during the  
7 period the eligible vacant building was unoccupied.

8 (4) Information regarding the amount for which the eligible  
9 vacant building was offered for sale, lease, or rent by the owner  
10 or a previous owner during the period the eligible vacant building  
11 was unoccupied.

12 (d) With the approval of the designating body, the statement of  
13 benefits may be incorporated in a designation application. A statement  
14 of benefits is a public record that may be inspected and copied under  
15 IC 5-14-3.

16 (e) The designating body must review the statement of benefits  
17 required by subsection (a). The designating body shall determine  
18 whether an area should be designated an economic revitalization area  
19 or whether a deduction should be allowed, after the designating body  
20 has made the following findings:

21 (1) Whether the estimate of the number of individuals who will be  
22 employed or whose employment will be retained can be  
23 reasonably expected to result from the proposed occupation of the  
24 eligible vacant building.

25 (2) Whether the estimate of the annual salaries of those  
26 individuals who will be employed or whose employment will be  
27 retained can be reasonably expected to result from the proposed  
28 occupation of the eligible vacant building.

29 (3) Whether any other benefits about which information was  
30 requested are benefits that can be reasonably expected to result  
31 from the proposed occupation of the eligible vacant building.

32 (4) Whether the occupation of the eligible vacant building will  
33 increase the tax base and assist in the rehabilitation of the  
34 economic revitalization area.

35 (5) Whether the totality of benefits is sufficient to justify the  
36 deduction.

37 A designating body may not designate an area an economic  
38 revitalization area or approve a deduction under this section unless the  
39 findings required by this subsection are made in the affirmative.

40 (f) Except as otherwise provided in this section, the owner of an  
41 eligible vacant building located in an economic revitalization area is  
42 entitled to a deduction from the assessed value of the building if the

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1 property owner or a tenant of the property owner occupies the eligible  
2 vacant building and uses it for commercial or industrial purposes. The  
3 property owner is entitled to the deduction:

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

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

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

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

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

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

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

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

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

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

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

34 YEAR OF DEDUCTION	PERCENTAGE
35 1st	100%

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

37 YEAR OF DEDUCTION	PERCENTAGE
38 1st	100%
39 2nd	50%

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

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

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1 occurs and continues for the following two (2) years. The amount of the  
 2 deduction that a property owner may receive with respect to real  
 3 property located in a county for a particular year equals the lesser of:

4 (1) two million dollars (\$2,000,000); or

5 (2) the product of:

6 (A) the increase in assessed value resulting from the  
 7 development, rehabilitation, or redevelopment; multiplied by

8 (B) the percentage from the following table:

9 YEAR OF DEDUCTION	PERCENTAGE
10 1st	75%
11 2nd	50%
12 3rd	25%

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

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

22 (2) inform the county auditor of the deduction amount.

23 (e) The county auditor shall:

24 (1) make the deductions; and

25 (2) notify the county property tax assessment board of appeals of  
 26 all deductions approved;

27 under this section.

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

31 (1) a general reassessment of real property **under IC 6-1.1-4-4;**

32 **(2) a reassessment under a county's reassessment plan**  
 33 **prepared under ~~IC 6-1.1-4-4~~; IC 6-1.1-4-4.2;** or

34 ~~(2)~~ **(3) an annual adjustment under IC 6-1.1-4-4.5.**

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

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

41 SECTION 30. IC 6-1.1-13-6 IS AMENDED TO READ AS  
 42 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 6. (a) A county

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

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

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

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

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

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

17 (c) If a petition for review does not comply with the Indiana board's  
 18 instructions for completing the form prescribed under section 3 of this  
 19 chapter, the Indiana board shall return the petition to the petitioner and  
 20 include a notice describing the defect in the petition. The petitioner  
 21 then has thirty (30) days from the date on the notice to cure the defect  
 22 and file a corrected petition. The Indiana board shall deny a corrected  
 23 petition for review if it does not substantially comply with the Indiana  
 24 board's instructions for completing the form prescribed under section  
 25 3 of this chapter.

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

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

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

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

42 (g) Except as provided in subsection (h), the Indiana board shall

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1 make a determination not later than the later of:

2 (1) ninety (90) days after the hearing; or

3 (2) the date set in an extension order issued by the Indiana board.

4 (h) With respect to an appeal of a real property assessment that  
5 takes effect on the assessment date on which a ~~general~~ reassessment of  
6 real property takes effect under IC 6-1.1-4-4 or **IC 6-1.1-4-4.2**, the  
7 Indiana board shall make a determination not later than the later of:

8 (1) one hundred eighty (180) days after the hearing; or

9 (2) the date set in an extension order issued by the Indiana board.

10 (i) The Indiana board may not extend the final determination date  
11 under subsection (g) or (h) by more than one hundred eighty (180)  
12 days. If the Indiana board fails to make a final determination within the  
13 time allowed by this section, the entity that initiated the petition may:

14 (1) take no action and wait for the Indiana board to make a final  
15 determination; or

16 (2) petition for judicial review under section 5 of this chapter.

17 (j) A final determination must include separately stated findings of  
18 fact for all aspects of the determination. Findings of ultimate fact must  
19 be accompanied by a concise statement of the underlying basic facts of  
20 record to support the findings. Findings must be based exclusively  
21 upon the evidence on the record in the proceeding and on matters  
22 officially noticed in the proceeding. Findings must be based upon a  
23 preponderance of the evidence.

24 (k) The Indiana board may limit the scope of the appeal to the issues  
25 raised in the petition and the evaluation of the evidence presented to  
26 the county board in support of those issues only if all parties  
27 participating in the hearing required under subsection (a) agree to the  
28 limitation. A party participating in the hearing required under  
29 subsection (a) is entitled to introduce evidence that is otherwise proper  
30 and admissible without regard to whether that evidence has previously  
31 been introduced at a hearing before the county board.

32 (l) The Indiana board may require the parties to the appeal:

33 (1) to file not more than five (5) business days before the date of  
34 the hearing required under subsection (a) documentary evidence  
35 or summaries of statements of testimonial evidence; and

36 (2) to file not more than fifteen (15) business days before the date  
37 of the hearing required under subsection (a) lists of witnesses and  
38 exhibits to be introduced at the hearing.

39 (m) A party to a proceeding before the Indiana board shall provide  
40 to all other parties to the proceeding the information described in  
41 subsection (l) if the other party requests the information in writing at  
42 least ten (10) days before the deadline for filing of the information

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- 1 under subsection (l).
- 2 (n) The Indiana board may base its final determination on a
- 3 stipulation between the respondent and the petitioner. If the final
- 4 determination is based on a stipulated assessed valuation of tangible
- 5 property, the Indiana board may order the placement of a notation on
- 6 the permanent assessment record of the tangible property that the
- 7 assessed valuation was determined by stipulation. The Indiana board
- 8 may:
- 9 (1) order that a final determination under this subsection has no
- 10 precedential value; or
- 11 (2) specify a limited precedential value of a final determination
- 12 under this subsection.
- 13 SECTION 33. IC 6-1.1-17-1, AS AMENDED BY P.L.1-2010,
- 14 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 15 JANUARY 1, 2013]: Sec. 1. (a) On or before August 1 of each year,
- 16 the county auditor shall send a certified statement, under the seal of the
- 17 board of county commissioners, to the fiscal officer of each political
- 18 subdivision of the county and the department of local government
- 19 finance. The statement shall contain:
- 20 (1) information concerning the assessed valuation in the political
- 21 subdivision for the next calendar year;
- 22 (2) an estimate of the taxes to be distributed to the political
- 23 subdivision during the last six (6) months of the current calendar
- 24 year;
- 25 (3) the current assessed valuation as shown on the abstract of
- 26 charges;
- 27 (4) the average growth in assessed valuation in the political
- 28 subdivision over the preceding three (3) budget years, ~~excluding~~
- 29 ~~years in which a general reassessment occurs, determined~~
- 30 **adjusted** according to procedures established by the department
- 31 of local government finance **to account for reassessment under**
- 32 **IC 6-1.1-4-4 or IC 6-1.1-4-4.2;**
- 33 (5) the amount of the political subdivision's assessed valuation
- 34 reduction determined under section 0.5(d) of this chapter;
- 35 (6) for counties with taxing units that cross into or intersect with
- 36 other counties, the assessed valuation as shown on the most
- 37 current abstract of property; and
- 38 (7) any other information at the disposal of the county auditor that
- 39 might affect the assessed value used in the budget adoption
- 40 process.
- 41 (b) The estimate of taxes to be distributed shall be based on:
- 42 (1) the abstract of taxes levied and collectible for the current

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1           calendar year, less any taxes previously distributed for the  
 2           calendar year; and  
 3           (2) any other information at the disposal of the county auditor  
 4           which might affect the estimate.

5           (c) The fiscal officer of each political subdivision shall present the  
 6           county auditor's statement to the proper officers of the political  
 7           subdivision.

8           (d) Subject to subsection (e), after the county auditor sends a  
 9           certified statement under subsection (a) or an amended certified  
 10          statement under this subsection with respect to a political subdivision  
 11          and before the department of local government finance certifies its  
 12          action with respect to the political subdivision under section 16(f) of  
 13          this chapter, the county auditor may amend the information concerning  
 14          assessed valuation included in the earlier certified statement. The  
 15          county auditor shall send a certified statement amended under this  
 16          subsection, under the seal of the board of county commissioners, to:

- 17           (1) the fiscal officer of each political subdivision affected by the  
 18           amendment; and
- 19           (2) the department of local government finance.

20          (e) Except as provided in subsection (f), before the county auditor  
 21          makes an amendment under subsection (d), the county auditor must  
 22          provide an opportunity for public comment on the proposed  
 23          amendment at a public hearing. The county auditor must give notice of  
 24          the hearing under IC 5-3-1. If the county auditor makes the amendment  
 25          as a result of information provided to the county auditor by an assessor,  
 26          the county auditor shall give notice of the public hearing to the  
 27          assessor.

28          (f) The county auditor is not required to hold a public hearing under  
 29          subsection (e) if:

- 30           (1) the amendment under subsection (d) is proposed to correct a  
 31           mathematical error made in the determination of the amount of  
 32           assessed valuation included in the earlier certified statement;
- 33           (2) the amendment under subsection (d) is proposed to add to the  
 34           amount of assessed valuation included in the earlier certified  
 35           statement assessed valuation of omitted property discovered after  
 36           the county auditor sent the earlier certified statement; or
- 37           (3) the county auditor determines that the amendment under  
 38           subsection (d) will not result in an increase in the tax rate or tax  
 39           rates of the political subdivision.

40          SECTION 34. IC 6-1.1-18-12, AS AMENDED BY P.L.172-2011,  
 41          SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42          JANUARY 1, 2013]: Sec. 12. (a) For purposes of this section,

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

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

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

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

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

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

20 STEP SIX: Determine the greater of the following:

21 (A) Zero (0).

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

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

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

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

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

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

40 SECTION 35. IC 6-1.1-18-13, AS AMENDED BY P.L.219-2007,  
 41 SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42 JANUARY 1, 2013]: Sec. 13. (a) The maximum property tax rate

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1 levied under IC 20-46-6 by each school corporation for the school  
 2 corporation's capital projects fund must be adjusted each year to  
 3 account for the change in assessed value of real property that results  
 4 from:

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

7 (2) a general reassessment of real property under IC 6-1.1-4-4; or

8 **(3) a reassessment under a county's reassessment plan**  
 9 **prepared under IC 6-1.1-4-4.2.**

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

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

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

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

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

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

34 STEP SIX: Determine the greater of the following:

35 (A) Zero (0).

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

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

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

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1 each school corporation.  
2 SECTION 36. IC 6-1.1-18.5-9.8, AS AMENDED BY P.L.172-2011,  
3 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JANUARY 1, 2013]: Sec. 9.8. (a) For purposes of determining the  
5 property tax levy limit imposed on a city, town, or county under section  
6 3 of this chapter, the city, town, or county's ad valorem property tax  
7 levy for a particular calendar year does not include an amount equal to  
8 the lesser of:  
9 (1) the amount of ad valorem property taxes that would be first  
10 due and payable to the city, town, or county during the ensuing  
11 calendar year if the taxing unit imposed the maximum permissible  
12 property tax rate per one hundred dollars (\$100) of assessed  
13 valuation that the civil taxing unit may impose for the particular  
14 calendar year under the authority of IC 36-9-14.5 (in the case of  
15 a county) or IC 36-9-15.5 (in the case of a city or town); or  
16 (2) the excess, if any, of:  
17 (A) the property taxes imposed by the city, town, or county  
18 under the authority of:  
19 IC 3-11-6-9;  
20 IC 8-16-3;  
21 IC 8-16-3.1;  
22 IC 8-22-3-25;  
23 IC 14-27-6-48;  
24 IC 14-33-9-3;  
25 IC 16-22-8-41;  
26 IC 16-22-5-2 through IC 16-22-5-15;  
27 IC 16-23-1-40;  
28 IC 36-8-14;  
29 IC 36-9-4-48;  
30 IC 36-9-14;  
31 IC 36-9-14.5;  
32 IC 36-9-15;  
33 IC 36-9-15.5;  
34 IC 36-9-16;  
35 IC 36-9-16.5;  
36 IC 36-9-17;  
37 IC 36-9-26;  
38 IC 36-9-27-100;  
39 IC 36-10-3-21; or  
40 IC 36-10-4-36;  
41 that are first due and payable during the ensuing calendar year;  
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- 1 (B) the property taxes imposed by the city, town, or county  
 2 under the authority of the citations listed in clause (A) that  
 3 were first due and payable during calendar year 1984.
- 4 (b) The maximum property tax rate levied under the statutes listed  
 5 in subsection (a) must be adjusted each year to account for the change  
 6 in assessed value of real property that results from:
- 7 (1) an annual adjustment of the assessed value of real property  
 8 under IC 6-1.1-4-4.5; ~~or~~
- 9 (2) a general reassessment of real property under IC 6-1.1-4-4; **or**  
 10 **(3) a reassessment under a county's reassessment plan**  
 11 **prepared under IC 6-1.1-4-4.2.**
- 12 (c) The new maximum rate under a statute listed in subsection (a)  
 13 is the tax rate determined under STEP SEVEN of the following  
 14 formula:
- 15 STEP ONE: Determine the maximum rate for the political  
 16 subdivision levying a property tax under the statute for the year  
 17 preceding the year in which the annual adjustment or ~~general the~~  
 18 **reassessment under IC 6-1.1-4-4 or IC 6-1.1-4-4.2** takes effect.
- 19 STEP TWO: Subject to subsection (e), determine the actual  
 20 percentage change (rounded to the nearest one-hundredth percent  
 21 (0.01%)) in the assessed value (before the adjustment, if any,  
 22 under IC 6-1.1-4-4.5) of the taxable property from the year  
 23 preceding the year the annual adjustment or ~~general the~~  
 24 **reassessment under IC 6-1.1-4-4 or IC 6-1.1-4-4.2** takes effect  
 25 to the year that the annual adjustment or ~~general the~~ reassessment  
 26 is effective.
- 27 STEP THREE: Determine the three (3) calendar years that  
 28 immediately precede the ensuing calendar year and in which a  
 29 statewide general reassessment of real property **under**  
 30 **IC 6-1.1-4-4** does not first become effective.
- 31 STEP FOUR: Subject to subsection (e), compute separately, for  
 32 each of the calendar years determined in STEP THREE, the actual  
 33 percentage change (rounded to the nearest one-hundredth percent  
 34 (0.01%)) in the assessed value (before the adjustment, if any,  
 35 under IC 6-1.1-4-4.5) of the taxable property from the preceding  
 36 year.
- 37 STEP FIVE: Divide the sum of the three (3) quotients computed  
 38 in STEP FOUR by three (3).
- 39 STEP SIX: Determine the greater of the following:
- 40 (A) Zero (0).  
 41 (B) The result of the STEP TWO percentage minus the STEP  
 42 FIVE percentage.

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

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1 any other law, any property taxes imposed by a civil taxing unit that are  
 2 exempted by this section from the ad valorem property tax levy limits  
 3 imposed by section 3 of this chapter may not increase annually by a  
 4 percentage greater than the result of:

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

7 (2) one (1).

8 (d) For a county that:

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

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

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

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

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

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

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

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

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

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

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

27 (B) the cost of supplies; and

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

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

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

40 STEP TWO: Compute separately, for each of the calendar  
 41 years determined in STEP ONE, the quotient (rounded to the  
 42 nearest ten-thousandth (0.0001)) of the sum of the civil taxing

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unit's total assessed value of all taxable property and:

- (i) for a particular calendar year before 2007, the total assessed value of property tax deductions in the unit under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar year; or
- (ii) for a particular calendar year after 2006, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-42 in 2006 plus for a particular calendar year after 2009, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-37.5 in 2008;

divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.

STEP THREE: Divide the sum of the three (3) quotients computed in STEP TWO by three (3).

STEP FOUR: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the total assessed value of all taxable property in all counties and:

- (i) for a particular calendar year before 2007, the total assessed value of property tax deductions in all counties under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar year; or
- (ii) for a particular calendar year after 2006, the total assessed value of property tax deductions that applied in all counties under IC 6-1.1-12-42 in 2006 plus for a particular calendar year after 2009, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-37.5 in 2008;

divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.

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

STEP SIX: Divide the STEP THREE amount by the STEP FIVE amount.

The civil taxing unit may increase its levy by a percentage not greater than the percentage by which the STEP THREE amount exceeds the percentage by which the civil taxing unit may increase its levy under section 3 of this chapter based on the assessed value growth quotient determined under section 2 of this

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- 1 chapter.
- 2 (4) A levy increase may not be granted under this subdivision for
- 3 property taxes first due and payable after December 31, 2008.
- 4 Permission to the civil taxing unit to increase its levy in excess of
- 5 the limitations established under section 3 of this chapter, if the
- 6 local government tax control board finds that the civil taxing unit
- 7 needs the increase to pay the costs of furnishing fire protection for
- 8 the civil taxing unit through a volunteer fire department. For
- 9 purposes of determining a township's need for an increased levy,
- 10 the local government tax control board shall not consider the
- 11 amount of money borrowed under IC 36-6-6-14 during the
- 12 immediately preceding calendar year. However, any increase in
- 13 the amount of the civil taxing unit's levy recommended by the
- 14 local government tax control board under this subdivision for the
- 15 ensuing calendar year may not exceed the lesser of:
- 16 (A) ten thousand dollars (\$10,000); or
- 17 (B) twenty percent (20%) of:
- 18 (i) the amount authorized for operating expenses of a
- 19 volunteer fire department in the budget of the civil taxing
- 20 unit for the immediately preceding calendar year; plus
- 21 (ii) the amount of any additional appropriations authorized
- 22 during that calendar year for the civil taxing unit's use in
- 23 paying operating expenses of a volunteer fire department
- 24 under this chapter; minus
- 25 (iii) the amount of money borrowed under IC 36-6-6-14
- 26 during that calendar year for the civil taxing unit's use in
- 27 paying operating expenses of a volunteer fire department.
- 28 (5) A levy increase may not be granted under this subdivision for
- 29 property taxes first due and payable after December 31, 2008.
- 30 Permission to a civil taxing unit to increase its levy in excess of
- 31 the limitations established under section 3 of this chapter in order
- 32 to raise revenues for pension payments and contributions the civil
- 33 taxing unit is required to make under IC 36-8. The maximum
- 34 increase in a civil taxing unit's levy that may be recommended
- 35 under this subdivision for an ensuing calendar year equals the
- 36 amount, if any, by which the pension payments and contributions
- 37 the civil taxing unit is required to make under IC 36-8 during the
- 38 ensuing calendar year exceeds the product of one and one-tenth
- 39 (1.1) multiplied by the pension payments and contributions made
- 40 by the civil taxing unit under IC 36-8 during the calendar year that
- 41 immediately precedes the ensuing calendar year. For purposes of
- 42 this subdivision, "pension payments and contributions made by a

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civil taxing unit" does not include that part of the payments or contributions that are funded by distributions made to a civil 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.

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1 Permission to a civil taxing unit to increase the unit's levy in  
 2 excess of the limitations established under section 3 of this  
 3 chapter if the local government tax control board finds that:

4 (A) the civil taxing unit is:

5 (i) a county having a population of more than one hundred  
 6 forty-eight thousand (148,000) but less than one hundred  
 7 seventy thousand (170,000);

8 (ii) a city having a population of more than fifty-five  
 9 thousand (55,000) but less than fifty-nine thousand (59,000);

10 (iii) a city having a population of more than twenty-eight  
 11 thousand seven hundred (28,700) but less than twenty-nine  
 12 thousand (29,000);

13 (iv) a city having a population of more than fifteen thousand  
 14 four hundred (15,400) but less than sixteen thousand six  
 15 hundred (16,600); or

16 (v) a city having a population of more than seven thousand  
 17 (7,000) but less than seven thousand three hundred (7,300);  
 18 and

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

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

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

38 Permission for a county:

39 (A) having a population of more than eighty thousand (80,000)  
 40 but less than ninety thousand (90,000) to increase the county's  
 41 levy in excess of the limitations established under section 3 of  
 42 this chapter, if the local government tax control board finds

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- 1 that the county needs the increase to meet the county's share of
- 2 the costs of operating a jail or juvenile detention center,
- 3 including expansion of the facility, if the jail or juvenile
- 4 detention center is opened after December 31, 1991;
- 5 (B) that operates a county jail or juvenile detention center that
- 6 is subject to an order that:
  - 7 (i) was issued by a federal district court; and
  - 8 (ii) has not been terminated;
- 9 (C) that operates a county jail that fails to meet:
  - 10 (i) American Correctional Association Jail Construction
  - 11 Standards; and
  - 12 (ii) Indiana jail operation standards adopted by the
  - 13 department of correction; or
- 14 (D) that operates a juvenile detention center that fails to meet
- 15 standards equivalent to the standards described in clause (C)
- 16 for the operation of juvenile detention centers.

17 Before recommending an increase, the local government tax  
 18 control board shall consider all other revenues available to the  
 19 county that could be applied for that purpose. An appeal for  
 20 operating funds for a jail or a juvenile detention center shall be  
 21 considered individually, if a jail and juvenile detention center are  
 22 both opened in one (1) county. The maximum aggregate levy  
 23 increases that the local government tax control board may  
 24 recommend for a county equals the county's share of the costs of  
 25 operating the jail or a juvenile detention center for the first full  
 26 calendar year in which the jail or juvenile detention center is in  
 27 operation.

28 (10) A levy increase may not be granted under this subdivision for  
 29 property taxes first due and payable after December 31, 2008.  
 30 Permission for a township to increase its levy in excess of the  
 31 limitations established under section 3 of this chapter, if the local  
 32 government tax control board finds that the township needs the  
 33 increase so that the property tax rate to pay the costs of furnishing  
 34 fire protection for a township, or a portion of a township, enables  
 35 the township to pay a fair and reasonable amount under a contract  
 36 with the municipality that is furnishing the fire protection.  
 37 However, for the first time an appeal is granted the resulting rate  
 38 increase may not exceed fifty percent (50%) of the difference  
 39 between the rate imposed for fire protection within the  
 40 municipality that is providing the fire protection to the township  
 41 and the township's rate. A township is required to appeal a second  
 42 time for an increase under this subdivision if the township wants

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1 to further increase its rate. However, a township's rate may be  
 2 increased to equal but may not exceed the rate that is used by the  
 3 municipality. More than one (1) township served by the same  
 4 municipality may use this appeal.

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

21 (12) Permission to a city having a population of more than  
 22 twenty-nine thousand (29,000) but less than thirty-one thousand  
 23 (31,000) to increase its levy in excess of the limitations  
 24 established under section 3 of this chapter if:

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

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

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

36 (13) A levy increase may be granted under this subdivision only  
 37 for property taxes first due and payable after December 31, 2008.  
 38 Permission to a civil taxing unit to increase its levy in excess of  
 39 the limitations established under section 3 of this chapter if the  
 40 civil taxing unit cannot carry out its governmental functions for  
 41 an ensuing calendar year under the levy limitations imposed by  
 42 section 3 of this chapter due to a natural disaster, an accident, or

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1 another unanticipated emergency.

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

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

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

19 (2) the sum of:

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

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

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

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

38 (c) The department of local government finance may also call a  
39 session of the county property tax assessment board after completion  
40 of a general reassessment of real property **under IC 6-1.1-4-4 or a**  
41 **reassessment under a reassessment plan prepared under**  
42 **IC 6-1.1-4-4.2.** The department of local government finance shall fix

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1 the time for and duration of the session.

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

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

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

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

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

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

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

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

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

37 (c) **If the department of local government finance determines**  
38 **under subsection (a) to initiate a review with respect to the real**  
39 **property within a particular cycle under a county's reassessment**  
40 **plan prepared under IC 6-1.1-4-4.2 or a part of the real property**  
41 **within a cycle, the division of data analysis of the department shall**  
42 **determine for the real property under consideration and for all**



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1 **groups of parcels within a particular cycle the variance between:**

2 **(1) the total assessed valuation of the real property within all**  
 3 **groups of parcels within a particular cycle; and**

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

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

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

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

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

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

26 ~~(f)~~ **(g)** If:

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

29 (2) the department of local government finance determines after  
 30 holding hearings on the matter that a special reassessment should  
 31 be conducted;

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

34 ~~(g)~~ **(h)** If the variance determined under subsection (b), ~~or~~ (c), **or** (d)  
 35 is twenty percent (20%) or less, the department of local government  
 36 finance shall determine whether to correct the valuation of the property  
 37 under:

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

39 (2) IC 6-1.1-14.

40 ~~(h)~~ **(i)** The department of local government finance shall give notice  
 41 to a taxpayer, by individual notice or by publication at the discretion of  
 42 the department, of a hearing concerning the department's intent to

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1 cause the assessment of the taxpayer's property to be adjusted under  
 2 this section. The time fixed for the hearing must be at least ten (10)  
 3 days after the day the notice is mailed or published. The department  
 4 may conduct a single hearing under this section with respect to  
 5 multiple properties. The notice must state:

- 6 (1) the time of the hearing;
- 7 (2) the location of the hearing; and
- 8 (3) that the purpose of the hearing is to hear taxpayers' comments  
 9 and objections with respect to the department's intent to adjust the  
 10 assessment of property under this chapter.

11 ~~(i)~~ **(j)** If the department of local government finance determines  
 12 after the hearing that the assessment of property should be adjusted  
 13 under this chapter, the department shall:

- 14 (1) cause the assessment of the property to be adjusted;
- 15 (2) mail a certified notice of its final determination to the county  
 16 auditor of the county in which the property is located; and
- 17 (3) notify the taxpayer as required under IC 6-1.1-14.

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

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

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

- 29 **(1) a general assessment of real property under IC 6-1.1-4-4**  
 30 **becomes effective; or**
- 31 **(2) a reassessment cycle of real property under a county's**  
 32 **reassessment plan prepared under IC 6-1.1-4-4.2 is**  
 33 **completed;**

34 the department of local government finance shall compute a new  
 35 assessment ratio for each school corporation located in a county in  
 36 which a supplemental county levy is imposed under IC 20-45-7 or  
 37 IC 20-45-8. In all other years, the department shall compute a new  
 38 assessment ratio for such a school corporation if the department finds  
 39 that there has been sufficient reassessment or adjustment of one (1) or  
 40 more classes of property in the school district. When the department of  
 41 local government finance computes a new assessment ratio for a school  
 42 corporation, the department shall publish the new ratio.

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

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

14 The department of local government finance shall notify the school  
 15 corporation of its new adjustment factor before March 2 of the year in  
 16 which the department calculates the new adjustment factor.

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

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

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

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

- 38 (1) Except as otherwise provided in this section, the proceeds of  
 39 the taxes attributable to the lesser of:  
 40 (A) the assessed value of the property for the assessment date  
 41 with respect to which the allocation and distribution is made;  
 42 or

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1 (B) the base assessed value;  
 2 shall be allocated to and, when collected, paid into the funds of  
 3 the respective taxing units. However, if the effective date of the  
 4 allocation provision of a declaratory ordinance is after March 1,  
 5 1985, and before January 1, 1986, and if an improvement to  
 6 property was partially completed on March 1, 1985, the unit may  
 7 provide in the declaratory ordinance that the taxes attributable to  
 8 the assessed value of the property as finally determined for March  
 9 1, 1984, shall be allocated to and, when collected, paid into the  
 10 funds of the respective taxing units.

11 (2) Except as otherwise provided in this section, part or all of the  
 12 property tax proceeds in excess of those described in subdivision  
 13 (1), as specified in the declaratory ordinance, shall be allocated to  
 14 the unit for the economic development district and, when  
 15 collected, paid into a special fund established by the unit for that  
 16 economic development district that may be used only to pay the  
 17 principal of and interest on obligations owed by the unit under  
 18 IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of  
 19 industrial development programs in, or serving, that economic  
 20 development district. The amount not paid into the special fund  
 21 shall be paid to the respective units in the manner prescribed by  
 22 subdivision (1).

23 (3) When the money in the fund is sufficient to pay all  
 24 outstanding principal of and interest (to the earliest date on which  
 25 the obligations can be redeemed) on obligations owed by the unit  
 26 under IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing  
 27 of industrial development programs in, or serving, that economic  
 28 development district, money in the special fund in excess of that  
 29 amount shall be paid to the respective taxing units in the manner  
 30 prescribed by subdivision (1).

31 (b) Property tax proceeds allocable to the economic development  
 32 district under subsection (a)(2) must, subject to subsection (a)(3), be  
 33 irrevocably pledged by the unit for payment as set forth in subsection  
 34 (a)(2).

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 economic development district that is annexed by any taxing unit after  
 38 the effective date of the allocation provision of the declaratory  
 39 ordinance is the lesser of:

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

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1 (d) Notwithstanding any other law, each assessor shall, upon  
2 petition of the fiscal body, reassess the taxable property situated upon  
3 or in, or added to, the economic development district effective on the  
4 next assessment date after the petition.

5 (e) Notwithstanding any other law, the assessed value of all taxable  
6 property in the economic development district, for purposes of tax  
7 limitation, property tax replacement, and formulation of the budget, tax  
8 rate, and tax levy for each political subdivision in which the property  
9 is located, is the lesser of:

- 10 (1) the assessed value of the property as valued without regard to
- 11 this section; or
- 12 (2) the base assessed value.

13 (f) The state board of accounts and department of local government  
14 finance shall make the rules and prescribe the forms and procedures  
15 that they consider expedient for the implementation of this chapter.  
16 After each:

- 17 (1) general reassessment under ~~IC 6-1.1-4~~, **IC 6-1.1-4-4**; or
- 18 (2) **reassessment of a group of parcels under a reassessment**
- 19 **plan prepared under IC 6-1.1-4-4.2;**

20 the department of local government finance shall adjust the base  
21 assessed value one (1) time to neutralize any effect of the ~~general~~  
22 reassessment on the property tax proceeds allocated to the district  
23 under this section. After each annual adjustment under IC 6-1.1-4-4.5,  
24 the department of local government finance shall adjust the base  
25 assessed value to neutralize any effect of the annual adjustment on the  
26 property tax proceeds allocated to the district under this section.  
27 However, the adjustments under this subsection may not include the  
28 effect of property tax abatements under IC 6-1.1-12.1.

29 (g) As used in this section, "property taxes" means:  
30 (1) taxes imposed under this article on real property; and  
31 (2) any part of the taxes imposed under this article on depreciable  
32 personal property that the unit has by ordinance allocated to the  
33 economic development district. However, the ordinance may not  
34 limit the allocation to taxes on depreciable personal property with  
35 any particular useful life or lives.

36 If a unit had, by ordinance adopted before May 8, 1987, allocated to an  
37 economic development district property taxes imposed under IC 6-1.1  
38 on depreciable personal property that has a useful life in excess of eight  
39 (8) years, the ordinance continues in effect until an ordinance is  
40 adopted by the unit under subdivision (2).

41 (h) As used in this section, "base assessed value" means:  
42 (1) the net assessed value of all the property as finally determined

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1 for the assessment date immediately preceding the effective date  
 2 of the allocation provision of the declaratory resolution, as  
 3 adjusted under subsection (f); plus  
 4 (2) to the extent that it is not included in subdivision (1), the net  
 5 assessed value of property that is assessed as residential property  
 6 under the rules of the department of local government finance, as  
 7 finally determined for any assessment date after the effective date  
 8 of the allocation provision.

9 Subdivision (2) applies only to economic development districts  
 10 established after June 30, 1997, and to additional areas established  
 11 after June 30, 1997.

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

- 18 (1) the increase in the assessed value resulting from the  
 19 remediation and redevelopment in the zone or the location of  
 20 personal property in the zone, or both; multiplied by  
 21 (2) the percentage determined under subsection (b).

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

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

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	66%
3rd	33%

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

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	85%
3rd	66%
4th	50%
5th	34%
6th	17%

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

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	95%
3rd	80%
4th	65%



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1	5th	50%
2	6th	40%
3	7th	30%
4	8th	20%
5	9th	10%
6	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 review, or special reassessment contractor of the department of local government finance under IC 6-1.1-4-32 (repealed).

SECTION 47. IC 33-26-8-3, AS AMENDED BY P.L.1-2007, SECTION 214, IS AMENDED TO READ AS FOLLOWS

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1 [EFFECTIVE JANUARY 1, 2013]: Sec. 3. As used in this chapter,  
2 "qualifying official" refers to any of the following:

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

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

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

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

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

42 "Allocation area" means that part of a redevelopment project area

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1 to which an allocation provision of a declaratory resolution adopted  
2 under section 15 of this chapter refers for purposes of distribution and  
3 allocation of property taxes.

4 "Base assessed value" means the following:

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

8 (A) 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); plus

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

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

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

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

29 (3) If:

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

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

36 the net assessed value of all the property as finally determined for  
37 the assessment date immediately preceding the effective date of  
38 the allocation provision adopted after June 30, 1997, as adjusted  
39 under subsection (h).

40 (4) Except as provided in subdivision (5), for all other allocation  
41 areas, the net assessed value of all the property as finally  
42 determined for the assessment date immediately preceding the

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- 1 effective date of the allocation provision of the declaratory
- 2 resolution, as adjusted under subsection (h).
- 3 (5) If an allocation area established in an economic development
- 4 area before July 1, 1995, is expanded after June 30, 1995, the
- 5 definition in subdivision (1) applies to the expanded part of the
- 6 area added after June 30, 1995.
- 7 (6) If an allocation area established in a redevelopment project
- 8 area before July 1, 1997, is expanded after June 30, 1997, the
- 9 definition in subdivision (2) applies to the expanded part of the
- 10 area added after June 30, 1997.

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

24 (b) A declaratory resolution adopted under section 15 of this chapter  
 25 on or before the allocation deadline determined under subsection (i)  
 26 may include a provision with respect to the allocation and distribution  
 27 of property taxes for the purposes and in the manner provided in this  
 28 section. A declaratory resolution previously adopted may include an  
 29 allocation provision by the amendment of that declaratory resolution on  
 30 or before the allocation deadline determined under subsection (i) in  
 31 accordance with the procedures required for its original adoption. A  
 32 declaratory resolution or an amendment that establishes an allocation  
 33 provision after June 30, 1995, must specify an expiration date for the  
 34 allocation provision. For an allocation area established before July 1,  
 35 2008, the expiration date may not be more than thirty (30) years after  
 36 the date on which the allocation provision is established. For an  
 37 allocation area established after June 30, 2008, the expiration date may  
 38 not be more than twenty-five (25) years after the date on which the first  
 39 obligation was incurred to pay principal and interest on bonds or lease  
 40 rentals on leases payable from tax increment revenues. However, with  
 41 respect to bonds or other obligations that were issued before July 1,  
 42 2008, if any of the bonds or other obligations that were scheduled when

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1 issued to mature before the specified expiration date and that are  
 2 payable only from allocated tax proceeds with respect to the allocation  
 3 area remain outstanding as of the expiration date, the allocation  
 4 provision does not expire until all of the bonds or other obligations are  
 5 no longer outstanding. The allocation provision may apply to all or part  
 6 of the redevelopment project area. The allocation provision must  
 7 require that any property taxes subsequently levied by or for the benefit  
 8 of any public body entitled to a distribution of property taxes on taxable  
 9 property in the allocation area be allocated and distributed as follows:

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

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

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

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

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

32 (A) Pay the principal of and interest on any obligations  
 33 payable solely from allocated tax proceeds which are incurred  
 34 by the redevelopment district for the purpose of financing or  
 35 refinancing the redevelopment of 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.

39 (C) Pay the principal of and interest on bonds payable from  
 40 allocated tax proceeds in that allocation area and from the  
 41 special tax levied under section 27 of this chapter.

42 (D) Pay the principal of and interest on bonds issued by the

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

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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 39.5 of this chapter (before its repeal) in the same year.

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

(K) 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 within three (3) years after the date on which the investments that are the basis for the increment financing are made.

(L) Pay the costs of carrying out an eligible efficiency project (as defined in IC 36-9-41-1.5) within the unit that established 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 (K), 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.

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

(4) Except as provided in subsection (g), 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 produce 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).

(B) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, 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 the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation of assessed value to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (3) or lessors under section 25.3 of this chapter.

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

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

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district

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1 under subsection (b)(3) may, subject to subsection (b)(4), be  
 2 irrevocably pledged by the redevelopment district for payment as set  
 3 forth in subsection (b)(3).  
 4 (e) Notwithstanding any other law, each assessor shall, upon  
 5 petition of the redevelopment commission, reassess the taxable  
 6 property situated upon or in, or added to, the allocation area, effective  
 7 on the next 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 formulation 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 unit that designated the allocation area  
 18 shall create funds as specified in this subsection. A unit that has  
 19 obligations, bonds, or leases payable from allocated tax proceeds under  
 20 subsection (b)(3) shall establish an allocation fund for the purposes  
 21 specified in subsection (b)(3) and a special zone fund. Such a unit  
 22 shall, until the end of the enterprise zone phase out period, deposit each  
 23 year in the special zone fund any amount in the allocation fund derived  
 24 from property tax proceeds in excess of those described in subsection  
 25 (b)(1) and (b)(2) from property located in the enterprise zone that  
 26 exceeds the amount sufficient for the purposes specified in subsection  
 27 (b)(3) for the year. The amount sufficient for purposes specified in  
 28 subsection (b)(3) for the year shall be determined based on the pro rata  
 29 portion of such current property tax proceeds from the part of the  
 30 enterprise zone that is within the allocation area as compared to all  
 31 such current property tax proceeds derived from the allocation area. A  
 32 unit that has no obligations, bonds, or leases payable from allocated tax  
 33 proceeds under subsection (b)(3) shall establish a special zone fund  
 34 and deposit all the property tax proceeds in excess of those described  
 35 in subsection (b)(1) and (b)(2) in the fund derived from property tax  
 36 proceeds in excess of those described in subsection (b)(1) and (b)(2)  
 37 from property located in the enterprise zone. The unit 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 other purposes  
 42 specified in subsection (b)(3), except that where reference is made in

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

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

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

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

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

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

40 (A) terminates the automatic extension of allocation deadlines  
 41 under subdivision (2); and

42 (B) specifically designates a particular date as the final

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1 allocation deadline.

2 SECTION 51. IC 36-7-15.1-26, AS AMENDED BY P.L.203-2011,

3 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

4 JANUARY 1, 2013]: Sec. 26. (a) As used in this section:

5 "Allocation area" means that part of a redevelopment project area

6 to which an allocation provision of a resolution adopted under section

7 8 of this chapter refers for purposes of distribution and allocation of

8 property taxes.

9 "Base assessed value" means the following:

10 (1) If an allocation provision is adopted after June 30, 1995, in a

11 declaratory resolution or an amendment to a declaratory

12 resolution establishing an economic development area:

13 (A) the net assessed value of all the property as finally

14 determined for the assessment date immediately preceding the

15 effective date of the allocation provision of the declaratory

16 resolution, as adjusted under subsection (h); plus

17 (B) to the extent that it is not included in clause (A), the net

18 assessed value of property that is assessed as residential

19 property under the rules of the department of local government

20 finance, as finally determined for any assessment date after the

21 effective date of the allocation provision.

22 (2) If an allocation provision is adopted after June 30, 1997, in a

23 declaratory resolution or an amendment to a declaratory

24 resolution establishing a redevelopment project area:

25 (A) the net assessed value of all the property as finally

26 determined for the assessment date immediately preceding the

27 effective date of the allocation provision of the declaratory

28 resolution, as adjusted under subsection (h); plus

29 (B) to the extent that it is not included in clause (A), the net

30 assessed value of property that is assessed as residential

31 property under the rules of the department of local government

32 finance, as finally determined for any assessment date after the

33 effective date of the allocation provision.

34 (3) If:

35 (A) an allocation provision adopted before June 30, 1995, in

36 a declaratory resolution or an amendment to a declaratory

37 resolution establishing a redevelopment project area expires

38 after June 30, 1997; and

39 (B) after June 30, 1997, a new allocation provision is included

40 in an amendment to the declaratory resolution;

41 the net assessed value of all the property as finally determined for

42 the assessment date immediately preceding the effective date of

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1 the allocation provision adopted after June 30, 1997, as adjusted  
 2 under subsection (h).  
 3 (4) Except as provided in subdivision (5), for all other allocation  
 4 areas, the net assessed value of all the property as finally  
 5 determined for the assessment date immediately preceding the  
 6 effective date of the allocation provision of the declaratory  
 7 resolution, as adjusted under subsection (h).  
 8 (5) If an allocation area established in an economic development  
 9 area before July 1, 1995, is expanded after June 30, 1995, the  
 10 definition in subdivision (1) applies to the expanded part of the  
 11 area added after June 30, 1995.  
 12 (6) If an allocation area established in a redevelopment project  
 13 area before July 1, 1997, is expanded after June 30, 1997, the  
 14 definition in subdivision (2) applies to the expanded part of the  
 15 area added after June 30, 1997.  
 16 Except as provided in section 26.2 of this chapter, "property taxes"  
 17 means taxes imposed under IC 6-1.1 on real property. However, upon  
 18 approval by a resolution of the redevelopment commission adopted  
 19 before June 1, 1987, "property taxes" also includes taxes imposed  
 20 under IC 6-1.1 on depreciable personal property. If a redevelopment  
 21 commission adopted before June 1, 1987, a resolution to include within  
 22 the definition of property taxes taxes imposed under IC 6-1.1 on  
 23 depreciable personal property that has a useful life in excess of eight  
 24 (8) years, the commission may by resolution determine the percentage  
 25 of taxes imposed under IC 6-1.1 on all depreciable personal property  
 26 that will be included within the definition of property taxes. However,  
 27 the percentage included must not exceed twenty-five percent (25%) of  
 28 the taxes imposed under IC 6-1.1 on all depreciable personal property.  
 29 (b) A resolution adopted under section 8 of this chapter on or before  
 30 the allocation deadline determined under subsection (i) may include a  
 31 provision with respect to the allocation and distribution of property  
 32 taxes for the purposes and in the manner provided in this section. A  
 33 resolution previously adopted may include an allocation provision by  
 34 the amendment of that resolution on or before the allocation deadline  
 35 determined under subsection (i) in accordance with the procedures  
 36 required for its original adoption. A declaratory resolution or an  
 37 amendment that establishes an allocation provision after June 30, 1995,  
 38 must specify an expiration date for the allocation provision. For an  
 39 allocation area established before July 1, 2008, the expiration date may  
 40 not be more than thirty (30) years after the date on which the allocation  
 41 provision is established. For an allocation area established after June  
 42 30, 2008, the expiration date may not be more than twenty-five (25)

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

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

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

20 (B) the base assessed value;

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

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

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

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

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

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

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- 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 the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described

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

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1 based on the recommendations of the urban enterprise association, for  
2 one (1) or more of the following purposes:

3 (1) To pay for programs in job training, job enrichment, and basic  
4 skill development designed to benefit residents and employers in  
5 the enterprise zone. The programs must reserve at least one-half  
6 (1/2) of the enrollment in any session for residents of the  
7 enterprise zone.

8 (2) To make loans and grants for the purpose of stimulating  
9 business activity in the enterprise zone or providing employment  
10 for enterprise zone residents in the enterprise zone. These loans  
11 and grants may be made to the following:

12 (A) Businesses operating in the enterprise zone.

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

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

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

42 (i) The allocation deadline referred to in subsection (b) is

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1 determined in the following manner:  
 2 (1) The initial allocation deadline is December 31, 2011.  
 3 (2) Subject to subdivision (3), the initial allocation deadline and  
 4 subsequent allocation deadlines are automatically extended in  
 5 increments of five (5) years, so that allocation deadlines  
 6 subsequent to the initial allocation deadline fall on December 31,  
 7 2016, and December 31 of each fifth year thereafter.  
 8 (3) At least one (1) year before the date of an allocation deadline  
 9 determined under subdivision (2), the general assembly may enact  
 10 a law that:

- 11 (A) terminates the automatic extension of allocation deadlines
- 12 under subdivision (2); and
- 13 (B) specifically designates a particular date as the final
- 14 allocation deadline.

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

18 "Allocation area" means that part of a redevelopment project area  
 19 to which an allocation provision of a resolution adopted under section  
 20 40 of this chapter refers for purposes of distribution and allocation of  
 21 property taxes.

22 "Base assessed value" means:

- 23 (1) the net assessed value of all the property as finally determined
- 24 for the assessment date immediately preceding the effective date
- 25 of the allocation provision of the declaratory resolution, as
- 26 adjusted under subsection (h); plus
- 27 (2) to the extent that it is not included in subdivision (1), the net
- 28 assessed value of property that is assessed as residential property
- 29 under the rules of the department of local government finance, as
- 30 finally determined for any assessment date after the effective date
- 31 of the allocation provision.

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

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

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

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

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

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

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

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

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- 1 (A) Pay the principal of and interest on any obligations  
 2 payable solely from allocated tax proceeds that are incurred by  
 3 the redevelopment district for the purpose of financing or  
 4 refinancing the redevelopment of that allocation area.
- 5 (B) Establish, augment, or restore the debt service reserve for  
 6 bonds payable solely or in part from allocated tax proceeds in  
 7 that allocation area.
- 8 (C) Pay the principal of and interest on bonds payable from  
 9 allocated tax proceeds in that allocation area and from the  
 10 special tax levied under section 50 of this chapter.
- 11 (D) Pay the principal of and interest on bonds issued by the  
 12 excluded city to pay for local public improvements that are  
 13 physically located in or physically connected to that allocation  
 14 area.
- 15 (E) Pay premiums on the redemption before maturity of bonds  
 16 payable solely or in part from allocated tax proceeds in that  
 17 allocation area.
- 18 (F) Make payments on leases payable from allocated tax  
 19 proceeds in that allocation area under section 46 of this  
 20 chapter.
- 21 (G) Reimburse the excluded city for expenditures for local  
 22 public improvements (which include buildings, park facilities,  
 23 and other items set forth in section 45 of this chapter) that are  
 24 physically located in or physically connected to that allocation  
 25 area.
- 26 (H) Reimburse the unit for rentals paid by it for a building or  
 27 parking facility that is physically located in or physically  
 28 connected to that allocation area under any lease entered into  
 29 under IC 36-1-10.
- 30 (I) Reimburse public and private entities for expenses incurred  
 31 in training employees of industrial facilities that are located:  
 32 (i) in the allocation area; and  
 33 (ii) on a parcel of real property that has been classified as  
 34 industrial property under the rules of the department of local  
 35 government finance.
- 36 However, the total amount of money spent for this purpose in  
 37 any year may not exceed the total amount of money in the  
 38 allocation fund that is attributable to property taxes paid by the  
 39 industrial facilities described in this clause. The  
 40 reimbursements under this clause must be made within three  
 41 (3) years after the date on which the investments that are the  
 42 basis for the increment financing are made.

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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 fiscal body of the county or municipality that established the department of redevelopment, 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 the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (3).

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

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

(2) the base assessed value.

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

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1       forth in subsection (b)(3).

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

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

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

13       (2) the base assessed value.

14       (g) If any part of the allocation area is located in an enterprise zone  
15      created under IC 5-28-15, the unit that designated the allocation area  
16      shall create funds as specified in this subsection. A unit that has  
17      obligations, bonds, or leases payable from allocated tax proceeds under  
18      subsection (b)(3) shall establish an allocation fund for the purposes  
19      specified in subsection (b)(3) and a special zone fund. Such a unit  
20      shall, until the end of the enterprise zone phase out period, deposit each  
21      year in the special zone fund the amount in the allocation fund derived  
22      from property tax proceeds in excess of those described in subsection  
23      (b)(1) and (b)(2) from property located in the enterprise zone that  
24      exceeds the amount sufficient for the purposes specified in subsection  
25      (b)(3) for the year. A unit that has no obligations, bonds, or leases  
26      payable from allocated tax proceeds under subsection (b)(3) shall  
27      establish a special zone fund and deposit all the property tax proceeds  
28      in excess of those described in subsection (b)(1) and (b)(2) in the fund  
29      derived from property tax proceeds in excess of those described in  
30      subsection (b)(1) and (b)(2) from property located in the enterprise  
31      zone. The unit that creates the special zone fund shall use the fund,  
32      based on the recommendations of the urban enterprise association, for  
33      one (1) or more of the following purposes:

34       (1) To pay for programs in job training, job enrichment, and basic  
35       skill development designed to benefit residents and employers in  
36       the enterprise zone. The programs must reserve at least one-half  
37       (1/2) of the enrollment in any session for residents of the  
38       enterprise zone.

39       (2) To make loans and grants for the purpose of stimulating  
40       business activity in the enterprise zone or providing employment  
41       for enterprise zone residents in an enterprise zone. These loans  
42       and grants may be made to the following:



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- 1 (A) Businesses operating in the enterprise zone.
- 2 (B) Businesses that will move their operations to the enterprise
- 3 zone if such a loan or grant is made.
- 4 (3) To provide funds to carry out other purposes specified in
- 5 subsection (b)(3). However, where reference is made in
- 6 subsection (b)(3) to the allocation area, the reference refers, for
- 7 purposes of payments from the special zone fund, only to that part
- 8 of the allocation area that is also located in the enterprise zone.
- 9 (h) The state board of accounts and department of local government
- 10 finance shall make the rules and prescribe the forms and procedures
- 11 that they consider expedient for the implementation of this chapter.
- 12 After each general reassessment **of real property in an area under**
- 13 **IC 6-1.1-4-4 or reassessment under a county's reassessment plan**
- 14 **prepared under IC 6-1.1-4, IC 6-1.1-4-4.2,** the department of local
- 15 government finance shall adjust the base assessed value one (1) time
- 16 to neutralize any effect of the ~~general~~ **reassessment of the real**
- 17 **property in the area** on the property tax proceeds allocated to the
- 18 redevelopment district under this section. After each annual adjustment
- 19 under IC 6-1.1-4-4.5, the department of local government finance shall
- 20 adjust the base assessed value to neutralize any effect of the annual
- 21 adjustment on the property tax proceeds allocated to the redevelopment
- 22 district under this section. However, the adjustments under this
- 23 subsection may not include the effect of property tax abatements under
- 24 IC 6-1.1-12.1, and these adjustments may not produce less property tax
- 25 proceeds allocable to the redevelopment district under subsection
- 26 (b)(3) than would otherwise have been received if the general
- 27 reassessment, **reassessment under the county's reassessment plan,**
- 28 or annual adjustment had not occurred. The department of local
- 29 government finance may prescribe procedures for county and township
- 30 officials to follow to assist the department in making the adjustments.
- 31 (i) The allocation deadline referred to in subsection (b) is
- 32 determined in the following manner:
- 33 (1) The initial allocation deadline is December 31, 2011.
- 34 (2) Subject to subdivision (3), the initial allocation deadline and
- 35 subsequent allocation deadlines are automatically extended in
- 36 increments of five (5) years, so that allocation deadlines
- 37 subsequent to the initial allocation deadline fall on December 31,
- 38 2016, and December 31 of each fifth year thereafter.
- 39 (3) At least one (1) year before the date of an allocation deadline
- 40 determined under subdivision (2), the general assembly may enact
- 41 a law that:
- 42 (A) terminates the automatic extension of allocation deadlines

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

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1 levied by or for the benefit of any public body entitled to a distribution  
 2 of property taxes on taxable property in the allocation area be allocated  
 3 and distributed as follows:

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

6 (A) the assessed value of the property for the assessment date  
 7 with respect to which the allocation and distribution is made;  
 8 or  
 9 (B) the base assessed value;

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

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

20 (3) Except as otherwise provided in this section, property tax  
 21 proceeds in excess of those described in subdivisions (1) and (2)  
 22 shall be allocated to the military base reuse district and, when  
 23 collected, paid into an allocation fund for that allocation area that  
 24 may be used by the military base reuse district and only to do one  
 25 (1) or more of the following:

26 (A) Pay the principal of and interest and redemption premium  
 27 on any obligations incurred by the military base reuse district  
 28 or any other entity for the purpose of financing or refinancing  
 29 military base reuse activities in or directly serving or  
 30 benefiting that allocation area.

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

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

37 (D) Reimburse any other governmental body for expenditures  
 38 made for local public improvements (or structures) in or  
 39 directly serving or benefiting that allocation area.

40 (E) Pay expenses incurred by the reuse authority, any other  
 41 department of the unit, or a department of another  
 42 governmental entity for local public improvements or

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

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1 subdivision (1).  
 2 The county auditor shall allocate to the respective taxing units  
 3 the amount, if any, of excess property tax proceeds determined  
 4 by the reuse authority. The reuse authority may not authorize  
 5 a payment to the respective taxing units under this subdivision  
 6 if to do so would endanger the interest of the holders of bonds  
 7 described in subdivision (3) or lessors under section 19 of this  
 8 chapter.

9 (c) For the purpose of allocating taxes levied by or for any taxing  
 10 unit or units, the assessed value of taxable property in a territory in the  
 11 allocation area that is annexed by a taxing unit after the effective date  
 12 of the allocation provision of the declaratory resolution is the lesser of:  
 13 (1) the assessed value of the property for the assessment date with  
 14 respect to which the allocation and distribution is made; or  
 15 (2) the base assessed value.

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

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

24 (f) Notwithstanding any other law, the assessed value of all taxable  
 25 property in the allocation area, for purposes of tax limitation, property  
 26 tax replacement, and the making of the budget, tax rate, and tax levy  
 27 for each political subdivision in which the property is located is the  
 28 lesser of:  
 29 (1) the assessed value of the property as valued without regard to  
 30 this section; or  
 31 (2) the base assessed value.

32 (g) If any part of the allocation area is located in an enterprise zone  
 33 created under IC 5-28-15, the unit that designated the allocation area  
 34 shall create funds as specified in this subsection. A unit that has  
 35 obligations, bonds, or leases payable from allocated tax proceeds under  
 36 subsection (b)(3) shall establish an allocation fund for the purposes  
 37 specified in subsection (b)(3) and a special zone fund. Such a unit  
 38 shall, until the end of the enterprise zone phase out period, deposit each  
 39 year in the special zone fund any amount in the allocation fund derived  
 40 from property tax proceeds in excess of those described in subsection  
 41 (b)(1) and (b)(2) from property located in the enterprise zone that  
 42 exceeds the amount sufficient for the purposes specified in subsection

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

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

41 SECTION 54. IC 36-7-30.5-30, AS AMENDED BY P.L.42-2011,  
 42 SECTION 80, AND AS AMENDED BY P.L.203-2011, SECTION 20,



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1 IS CORRECTED AND AMENDED TO READ AS FOLLOWS  
 2 [EFFECTIVE JANUARY 1, 2013]: Sec. 30. (a) The following  
 3 definitions apply throughout this section:

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

8 (2) "Base assessed value" means:

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

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

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

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

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

40 (A) the assessed value of the property for the assessment date  
 41 with respect to which the allocation and distribution is made;  
 42 or

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

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- 1 ~~(repealed)~~ (before their repeal) that is attributable to the  
 2 taxing district.  
 3 STEP TWO: Divide:  
 4 (i) that part of each county's eligible property tax  
 5 replacement amount (as defined in IC 6-1.1-21-2 ~~(repealed)~~  
 6 (before its repeal)) for that year as determined under  
 7 IC 6-1.1-21-4 ~~(repealed)~~ (before its repeal) that is  
 8 attributable to the taxing district; by  
 9 (ii) the STEP ONE sum.  
 10 STEP THREE: Multiply:  
 11 (i) the STEP TWO quotient; by  
 12 (ii) the total amount of the taxpayer's taxes (as defined in  
 13 IC 6-1.1-21-2 ~~(repealed)~~ (before its repeal)) levied in the  
 14 taxing district that have been allocated during that year to an  
 15 allocation fund under this section.  
 16 If not all the taxpayers in an allocation area receive the credit  
 17 in full, each taxpayer in the allocation area is entitled to  
 18 receive the same proportion of the credit. A taxpayer may not  
 19 receive a credit under this section and a credit under section  
 20 32 of this chapter (before its repeal) in the same year.  
 21 (F) Pay expenses incurred by the development authority for  
 22 local public improvements or structures that were in the  
 23 allocation area or directly serving or ~~benefitting~~ benefiting the  
 24 allocation area.  
 25 (G) Reimburse public and private entities for expenses  
 26 incurred in training employees of industrial facilities that are  
 27 located:  
 28 (i) in the allocation area; and  
 29 (ii) on a parcel of real property that has been classified as  
 30 industrial property under the rules of the department of local  
 31 government finance.  
 32 However, the total amount of money spent for this purpose in  
 33 any year may not exceed the total amount of money in the  
 34 allocation fund that is attributable to property taxes paid by the  
 35 industrial facilities described in this clause. The  
 36 reimbursements under this clause must be made not more than  
 37 three (3) years after the date on which the investments that are  
 38 the basis for the increment financing are made.  
 39 The allocation fund may not be used for operating expenses of the  
 40 development authority.  
 41 ~~(3)~~ (4) Except as provided in subsection (g), before July 15 of  
 42 each year the development authority shall do the following:

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

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1 situated upon or in or added to the allocation area, effective on the next  
 2 assessment date after the petition.

3 (f) Notwithstanding any other law, the assessed value of all taxable  
 4 property in the allocation area, for purposes of tax limitation, property  
 5 tax replacement, and the making of the budget, tax rate, and tax levy  
 6 for each political subdivision in which the property is located is the  
 7 lesser of:

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

10 (2) the base assessed value.

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

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

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

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

40 SECTION 56. An emergency is declared for this act.

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## COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 19, 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:

Page 2, line 7, delete "January 1, 2013," and insert "**July 1, 2013, and before July 1 of every fourth year thereafter,**".

Page 2, line 12, after "finance." insert "**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.**".

Page 2, between lines 36 and 37, begin a new line block indented and insert:

**"(8) 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.**

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

Page 2, line 41, delete "and provide that" and insert ".".

Page 2, delete line 42.

Page 3, delete lines 1 through 2.

Page 3, line 3, delete "within each class of real property in the county."

Page 3, line 7, delete "2013," and insert "**2014,**".

Page 3, line 8, delete "2014." and insert "**2015.**".

Page 6, line 3, delete "2014)" and insert "**2015)**".

Page 6, line 5, delete "2014)," and insert "**2015),**".

Page 6, line 11, delete "2014)" and insert "**2015)**".

Page 6, line 13, delete "2014)," and insert "**2015),**".

Page 7, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 9. 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**



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**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 9, delete lines 22 through 42, begin a new paragraph and insert:

"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:



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- (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.

(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.

(e) Notice of the opportunity to appeal the assessed valuation required under subsection (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."

Page 10, delete lines 1 through 7.

Page 10, strike lines 14 through 22.

Page 10, line 23, strike "(c)" and insert "(b)".

Page 10, line 32, strike "(d)" and insert "(c)".

Page 10, line 35, strike "(e)" and insert "(d)".

Page 11, line 1, strike "(f)" and insert "(e)".

Page 11, line 2, strike "or (c)".

Page 11, line 12, strike "(g)" and insert "(f)".

Page 11, line 12, strike "(f)," and insert "(e),".

Page 13, line 20, delete "reassessment" and insert "reassessment, the reassessment of a group of parcels under a county's reassessment plan prepared under section 4.2 of this chapter,".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 19 as introduced.)

HERSHMAN, Chairperson

Committee Vote: Yeas 11, Nays 0.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 19, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 7, between lines 11 and 12, 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 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."

Page 22, line 5, delete "P.L.173-2011" and insert "HEA 1009-2012".

Page 22, line 6, delete "5" and insert "40".

Page 22, delete lines 16 through 18, begin a new line double block indented and insert:

"(B) A percentage determined under section 17 of this chapter if the designating body elects to use an alternative abatement schedule provided under section 17 of this chapter."

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Page 91, after line 11, begin a new paragraph and insert:  
"SECTION 56. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 19 as printed January 11, 2012.)

ESPICH, Chair

Committee Vote: yeas 18, nays 0.

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