

**CONFERENCE COMMITTEE REPORT
DIGEST FOR ESB 19**

Citations Affected: IC 6-1.1; IC 33-26-8; IC 36-2-7-13; IC 36-6-8-5; IC 36-7.

Synopsis: CONFERENCE COMMITTEE REPORT FOR ESB 19. Property taxes. 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 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. Specifies that any required provisional statement shall be based on the latest assessed values certified by the DLGF, as adjusted under the procedures specified by the DLGF. Specifies procedures for resolving multiyear delays in the issuance of tax bills for counties that are at least three years behind in issuing tax bills. Provides that these provisions expire December 31, 2016. Provides that the county executive of a covered county may employ one or more special masters to carry out substantially all of the duties of: (1) the county auditor; (2) the county treasurer; or (3) the county assessor; or any combination of these offices, as is necessary to issue property tax bills in each year that the county is a covered county. Specifies that local income taxes withheld to pay state expenses incurred to issue

expedited tax bills in these counties reduces only the share of local income taxes that would be distributable to the county unit of government. Specifies that money must be set aside to reimburse eligible taxing units for interest costs on the schedule specified by the Indiana bond bank. Indicates that some or all of the required set aside is waived if certain are met. Requires that the extension of time to file for credits or deductions related to reconciliation issued in a covered county for a past tax year must be explained in the tax bill. Provides that the extension is the later of July 1 in the year the county becomes a covered county or 45 days after the reconciliation bill is issued. Permits the current owner of property to file the deduction or credit application. Specifies additional reporting requirements for redevelopment commissions. Requires redevelopment commissions to submit copies of the required reports to the DLGF. **(This conference committee report does the following: (1) Adds the provision specifying that the procedures for resolving multi-year delays in the issuance of tax bills for counties that are at least three years behind in issuing tax bills expire December 31, 2016. (2) Specifies that local income taxes withheld to pay state expenses incurred to issue expedited tax bills in these counties reduce only the share of local income taxes that would be distributable to the county unit of government. (3) Specifies that money must be set aside to reimburse eligible taxing units for interest costs on the schedule specified by the Indiana bond bank. Indicates that 75% of the required set aside is waived if tax bills for past years are issued before March 1 of the year following the year that the county becomes a covered county. (4) Requires that the extension of time to file for credits or deductions related to reconciliation issued in a covered county for a past tax year must be explained in the tax bill. (5) Provides that the extension is the later of July 1 in the year the county becomes a covered county or 45 days after the reconciliation bill is issued. (6) Permits the current owner of property to file the deduction or credit application or to file a property tax appeal. (7) Indicates that the county executive may use any procedure to purchase the services of a special master and special deputy masters. (8) Specifies that a special master in a covered county may also be authorized to carry out the duties of the county assessor. (Under the bill, a special master may be authorized to carry out the duties of the county auditor or county treasurer.) (9) Makes other changes related to these provisions concerning the resolving of multiyear delays in the issuance of tax bills. (10) Specifies that any required provisional statement shall be based on the latest assessed values certified by the DLGF, as adjusted under the procedures specified by the DLGF. (11) Authorizes the DLGF to adopt rules to govern the reassessment of property under county reassessment plans.)**

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

Adopted Rejected

CONFERENCE COMMITTEE REPORT

MR. SPEAKER:

Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill No. 19 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

- 1 Delete everything after the enacting clause and insert the following:
2 SECTION 1. IC 6-1.1-4-4, AS AMENDED BY P.L.182-2009(ss),
3 SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2012]: Sec. 4. (a) A general reassessment, involving a
5 physical inspection of all real property in Indiana, shall begin July 1,
6 2010. ~~and each fifth year thereafter. Each~~ **The** reassessment under this
7 subsection:
8 (1) shall be completed on or before March 1 of the year that
9 succeeds by two (2) years the year in which the general
10 reassessment begins; and
11 (2) shall be the basis for taxes payable in the year following the
12 year in which the general assessment is to be completed.
13 (b) In order to ensure that assessing officials are prepared for a
14 general reassessment of real property, the department of local
15 government finance shall give adequate advance notice of the general
16 reassessment to the assessing officials of each county.
17 (c) ~~For a general reassessment that begins on or after July 1, 2010;~~
18 ~~the assessed value of real property shall be based on the estimated true~~
19 ~~tax value of the property on the assessment date that is the basis for~~
20 ~~taxes payable in the year following the year in which the general~~
21 ~~reassessment is to be completed.~~
22 SECTION 2. IC 6-1.1-4-4.2 IS ADDED TO THE INDIANA CODE

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

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

14 (2) The department of local government finance shall
15 determine the classes of real property to be used for purposes
16 of this section.

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

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

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

27 (6) The reassessment of parcels:

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

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

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

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

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

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

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

4 (d) **The department of local government finance may adopt**
 5 **rules to govern the reassessment of property under county**
 6 **reassessment plans.**

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

14 (b) Subject to subsection (e), the system must be applied to adjust
 15 assessed values beginning with the 2006 assessment date and each year
 16 thereafter that is not a year in which a reassessment **under section 4 or**
 17 **4.2 of this chapter for the property** becomes effective.

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

20 (1) Promote uniform and equal assessment of real property within
 21 and across classifications.

22 (2) Require that assessing officials:

23 (A) reevaluate the factors that affect value;

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

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

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

29 (3) Prescribe procedures that permit the application of the
 30 adjustment percentages in an efficient manner by assessing
 31 officials.

32 (d) The department of local government finance must review and
 33 certify each annual adjustment determined under this section.

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

42 (1) use a six (6) year rolling average adjusted under subdivision

43 (2) instead of a four (4) year rolling average; and

44 (2) eliminate in the calculation of the rolling average the year
 45 among the six (6) years for which the highest market value in use
 46 of agricultural land is determined.

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

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

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

14 (1) fifteen percent (15%) for a township which does not contain
 15 an incorporated city or town;

16 (2) five percent (5%) for a township containing all or part of an
 17 incorporated city or town which has a population of five thousand
 18 (5,000) or less;

19 (3) four percent (4%) for a township containing all or part of an
 20 incorporated city which has a population of more than five
 21 thousand (5,000) but not exceeding ten thousand (10,000);

22 (4) three percent (3%) for a township containing all or part of an
 23 incorporated city which has a population of more than ten
 24 thousand (10,000) but not exceeding fifty thousand (50,000);

25 (5) two percent (2%) for a township containing all or part of an
 26 incorporated city which has a population of more than fifty
 27 thousand (50,000) but not exceeding one hundred fifty thousand
 28 (150,000); or

29 (6) one percent (1%) for a township containing all or part of an
 30 incorporated city which has a population of more than one
 31 hundred fifty thousand (150,000).

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

36 (c) Upon receipt of a petition under subsection (a), the department
 37 of local government finance may order a reassessment under section 9
 38 of this chapter or conduct a reassessment under section 31.5 of this
 39 chapter.

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

49 (b) The petition for reassessment must be signed by the lesser of
 50 one hundred (100) owners of parcels in the group or five percent
 51 (5%) of owners of parcels in the group. The signatures on the

1 petition must be verified by the oath of one (1) or more of the
 2 signers. A certificate of the county auditor stating that the signers
 3 constitute the required number of owners of taxable real property
 4 in the group of parcels must accompany the petition.

5 (c) Upon receipt of a petition under subsection (a), the
 6 department of local government finance may order a reassessment
 7 under section 9 of this chapter or conduct a reassessment under
 8 section 31.5 of this chapter.

9 SECTION 6. IC 6-1.1-4-6 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 6. If the
 11 department of local government finance determines that a petition filed
 12 under section 5 or 5.5 of this chapter has been signed by the required
 13 number of petitioners and that the present assessed value of any real
 14 property is inequitable, the department of local government finance
 15 shall order a reassessment of the real property ~~which has been~~
 16 ~~inequitably assessed.~~ **for which the petition was filed.** The order shall
 17 specify the time within which the reassessment shall be completed and
 18 the date on which the reassessment shall become effective.

19 SECTION 7. IC 6-1.1-4-9 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 9. In order to
 21 maintain a just and equitable valuation of real property, the department
 22 of local government finance may adopt a resolution declaring its belief
 23 that it is necessary to reassess all or a portion of the real property
 24 located within this state. If the department of local government finance
 25 adopts a reassessment resolution and if either a township or a larger
 26 area is involved **(for assessments before March 1, 2015) or one (1)**
 27 **or more groups of parcels under the county's reassessment plan**
 28 **are involved (for assessments after February 28, 2015),** the
 29 department shall hold a hearing concerning the necessity for the
 30 reassessment at the courthouse of the county in which the property is
 31 located. The department of local government finance shall give notice
 32 of the time and place of the hearing in the manner provided in section
 33 10 of this chapter. After the hearing, or if the area involved is less than
 34 a township **(for assessments before March 1, 2015) or is less than**
 35 **one (1) group of parcels under the county's reassessment plan (for**
 36 **assessments after February 28, 2015),** after the adoption of the
 37 resolution of the department of local government finance, the
 38 department may order any reassessment it deems necessary. The order
 39 shall specify the time within which the reassessment must be
 40 completed and the date the reassessment will become effective.

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

- 45 (1) royalties;
- 46 (2) overriding royalties;
- 47 (3) mineral rights; or
- 48 (4) working interest;

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

51 (b) Oil or gas interest is subject to assessment and taxation as real

1 property. Notwithstanding section 4 or 4.2 of this chapter, each oil or
 2 gas interest shall be assessed annually by the assessor of the township
 3 in which the oil or gas is located, or the county assessor if there is no
 4 township assessor for the township. The township or county assessor
 5 shall assess the oil or gas interest to the person who owns or operates
 6 the interest.

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

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

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

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

29 All assessing officials and the property tax assessment board of appeals
 30 shall use the data in determining the true tax value of agricultural land.
 31 **However, notwithstanding the availability of new soil productivity**
 32 **factors and the department of local government finance's notice of**
 33 **the appropriate soil productivity factor for each type or**
 34 **classification of soil shown on the United States Department of**
 35 **Agriculture's soil survey map for the March 1, 2012, assessment**
 36 **date, the soil productivity factors used for the March 1, 2011,**
 37 **assessment date shall be used for the March 1, 2012, assessment**
 38 **date. New soil productivity factors shall be used for assessment**
 39 **dates occurring after March 1, 2012.**

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

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

45 SECTION 10. IC 6-1.1-4-13.6, AS AMENDED BY P.L.113-2010,
 46 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 47 JANUARY 1, 2013]: Sec. 13.6. (a) The county assessor shall determine
 48 the values of all classes of commercial, industrial, and residential land
 49 (including farm homesites) in the county using guidelines determined
 50 by the department of local government finance. ~~Not later than July 1,~~
 51 ~~2011, and every fourth year thereafter;~~ The assessor determining the

1 values of land shall submit the values to the county property tax
 2 assessment board of appeals **by the dates specified in the county's**
 3 **reassessment plan under section 4.2 of this chapter.**

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

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

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

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

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

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

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

- 36 (1) deputies;
- 37 (2) employees; and
- 38 (3) technical advisors who are:
 - 39 (A) qualified to determine real property values;
 - 40 (B) professional appraisers certified under 50 IAC 15; and
 - 41 (C) employed either on a full-time or a part-time basis, subject
 42 to sections 18.5 and 19.5 of this chapter.

43 (b) The county council of each county shall appropriate the funds
 44 necessary for the employment of deputies, employees, or technical
 45 advisors employed under subsection (a) of this section.

46 SECTION 12. IC 6-1.1-4-17, AS AMENDED BY P.L.182-2009(ss),
 47 SECTION 87, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 48 JANUARY 1, 2013]: Sec. 17. (a) Subject to the approval of the
 49 department of local government finance and the requirements of
 50 section 18.5 of this chapter, a county assessor may employ professional

1 appraisers as technical advisors for assessments in all townships in the
 2 county. The department of local government finance may approve
 3 employment under this subsection only if the department is a party to
 4 the employment contract and any addendum to the employment
 5 contract.

6 (b) A decision by a county assessor to not employ a professional
 7 appraiser as a technical advisor in a ~~general~~ reassessment **under**
 8 **section 4 or 4.2 of this chapter** is subject to approval by the
 9 department of local government finance.

10 (c) As used in this chapter, "professional appraiser" means an
 11 individual or firm that is certified under IC 6-1.1-31.7.

12 SECTION 13. IC 6-1.1-4-20, AS AMENDED BY P.L.146-2008,
 13 SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JANUARY 1, 2013]: Sec. 20. The department of local government
 15 finance may establish a period, with respect to each ~~general~~
 16 reassessment **under section 4 or 4.2 of this chapter**, that is the only
 17 time during which a county assessor may enter into a contract with a
 18 professional appraiser. ~~The period set by the department of local~~
 19 ~~government finance may not begin before January 1 of the year the~~
 20 ~~general reassessment begins. If no period is established by the~~
 21 ~~department of local government finance, a county assessor may enter~~
 22 ~~into such a contract only on or after January 1 and before April 16 of~~
 23 ~~the year in which the general reassessment is to commence.~~

24 SECTION 14. IC 6-1.1-4-21, AS AMENDED BY P.L.146-2008,
 25 SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2012]: Sec. 21. (a) If during a period of general reassessment
 27 **under section 4 of this chapter** a county assessor personally makes
 28 the real property appraisals, the appraisals of the parcels subject to
 29 taxation must be completed as follows:

30 (1) The appraisal of one-fourth (1/4) of the parcels shall be
 31 completed before December 1 of the year in which the general
 32 reassessment begins.

33 (2) The appraisal of one-half (1/2) of the parcels shall be
 34 completed before May 1 of the year following the year in which
 35 the general reassessment begins.

36 (3) The appraisal of three-fourths (3/4) of the parcels shall be
 37 completed before October 1 of the year following the year in
 38 which the general reassessment begins.

39 (4) The appraisal of all the parcels shall be completed before
 40 March 1 of the second year following the year in which the
 41 general reassessment begins.

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

46 (1) The appraisals for one-fourth (1/4) of the parcels shall be
 47 reported before December 1 of the year in which the general
 48 reassessment begins.

49 (2) The appraisals for one-half (1/2) of the parcels shall be
 50 reported before May 1 of the year following the year in which the

1 general reassessment begins.

2 (3) The appraisals for three-fourths (3/4) of the parcels shall be
3 reported before October 1 of the year following the year in which
4 the general reassessment begins.

5 (4) The appraisals for all the parcels shall be reported before
6 March 1 of the second year following the year in which the
7 general reassessment begins.

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

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

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

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

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

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

32 SECTION 16. IC 6-1.1-4-22, AS AMENDED BY P.L.136-2009,
33 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JANUARY 1, 2013]: **Sec. 22. (a) If any assessing official assesses or
35 reassesses any real property under this article (including an annual
36 adjustment under section 4.5 of this chapter), the official shall give
37 notice to the taxpayer and the county assessor, by mail or by using
38 electronic mail that includes a secure Internet link to the
39 information in the notice, of the amount of the assessment or
40 reassessment.**

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

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

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

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

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

50 **(c) The notice required by this section is in addition to any
51 required notice of assessment or reassessment included in a**

1 **property tax statement under IC 6-1.1-22 or IC 6-1.1-22.5.**

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

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

7 (1) The procedure that a taxpayer must follow to appeal the
8 assessment or reassessment.

9 (2) The forms that must be filed for an appeal of the assessment
10 or reassessment.

11 (3) Notice that an appeal of the assessment or reassessment
12 requires evidence relevant to the true tax value of the taxpayer's
13 property as of the assessment date.

14 SECTION 17. IC 6-1.1-4-27.5, AS AMENDED BY P.L.172-2011,
15 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JANUARY 1, 2013]: Sec. 27.5. (a) The auditor of each county shall
17 establish a property reassessment fund. The county treasurer shall
18 deposit all collections resulting from the property taxes that the county
19 levies for the county's property reassessment fund.

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

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

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

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

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

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

44 (1) a ~~general reassessment of one (1) or more groups of parcels~~
45 **under a county's reassessment plan prepared under section**
46 **4.2 of this chapter;** or

47 (2) making annual adjustments under section 4.5 of this chapter;
48 has changed.

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

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

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

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

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

15 SECTION 18. IC 6-1.1-4-28.5, AS AMENDED BY P.L.146-2008,
 16 SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JANUARY 1, 2013]: Sec. 28.5. (a) Money assigned to a property
 18 reassessment fund under section 27.5 of this chapter may be used only
 19 to pay the costs of:

- 20 (1) the general reassessment of real property **under section 4 of**
 21 **this chapter or reassessment of one (1) or more groups of**
 22 **parcels under a county's reassessment plan prepared under**
 23 **section 4.2 of this chapter**, including the computerization of
 24 assessment records;
 25 (2) payments to assessing officials and hearing officers for county
 26 property tax assessment boards of appeals under IC 6-1.1-35.2;
 27 (3) the development or updating of detailed soil survey data by
 28 the United States Department of Agriculture or its successor
 29 agency;
 30 (4) the updating of plat books;
 31 (5) payments for the salary of permanent staff or for the
 32 contractual services of temporary staff who are necessary to assist
 33 assessing officials;
 34 (6) making annual adjustments under section 4.5 of this chapter;
 35 and
 36 (7) the verification under 50 IAC 21-3-2 of sales disclosure forms
 37 forwarded to:
 38 (A) the county assessor; or
 39 (B) township assessors (if any);
 40 under IC 6-1.1-5.5-3.

41 Money in a property tax reassessment fund may not be transferred or
 42 reassigned to any other fund and may not be used for any purposes
 43 other than those set forth in this section.

44 (b) All counties shall use modern, detailed soil maps in the ~~general~~
 45 reassessment of agricultural land.

46 (c) The county treasurer of each county shall, in accordance with
 47 IC 5-13-9, invest any money accumulated in the property reassessment
 48 fund. Any interest received from investment of the money shall be paid
 49 into the property reassessment fund.

50 (d) An appropriation under this section must be approved by the

1 fiscal body of the county after the review and recommendation of the
 2 county assessor. However, in a county with a township assessor in
 3 every township, the county assessor does not review an appropriation
 4 under this section, and only the fiscal body must approve an
 5 appropriation under this section.

6 SECTION 19. IC 6-1.1-4-29, AS AMENDED BY P.L.146-2008,
 7 SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JANUARY 1, 2013]: Sec. 29. (a) The expenses of a reassessment,
 9 except those incurred by the department of local government finance
 10 in performing its normal functions, shall be paid by the county in which
 11 the reassessed property is situated. These expenses, except for the
 12 expenses of:

13 **(1) a general reassessment of real property under section 4 of**
 14 **this chapter; or**

15 **(2) reassessments of a group of parcels under a county's**
 16 **reassessment plan prepared under section 4.2 of this chapter;**
 17 shall be paid from county funds. The county auditor shall issue
 18 warrants for the payment of reassessment expenses. No prior
 19 appropriations are required in order for the auditor to issue warrants.

20 (b) An order of the department of local government finance
 21 directing the reassessment of property shall contain an estimate of the
 22 cost of making the reassessment. The assessing officials in the county,
 23 the county property tax assessment board of appeals, and the county
 24 auditor may not exceed the amount so estimated by the department of
 25 local government finance.

26 SECTION 20. IC 6-1.1-4-30 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 30. **(a)** In making
 28 any assessment or reassessment of real property in the interim between
 29 general reassessments **under section 4 of this chapter**, the rules,
 30 regulations, and standards for assessment are the same as those used in
 31 the preceding general reassessment.

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

38 SECTION 21. IC 6-1.1-4-31, AS AMENDED BY P.L.113-2010,
 39 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JANUARY 1, 2013]: Sec. 31. (a) The department of local government
 41 finance shall periodically check the conduct of:

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

44 **(2) a reassessment of a group of parcels under a county's**
 45 **reassessment plan prepared under section 4.2 of this chapter;**

46 ~~(2) (3)~~ **(3) work required to be performed by local officials under 50**
 47 **IAC 21; and**

48 ~~(3) (4)~~ **(4) other property assessment activities in the county, as**
 49 **determined by the department.**

50 The department of local government finance may inform township
 51 assessors (if any), county assessors, and the presidents of county

1 councils in writing if its check reveals that the general reassessment,
 2 **the reassessment of a group of parcels under a county's**
 3 **reassessment plan prepared under section 4.2 of this chapter,** or
 4 other property assessment activities are not being properly conducted,
 5 work required to be performed by local officials under 50 IAC 21 is not
 6 being properly conducted, or property assessments are not being
 7 properly made.

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

11 (1) the general reassessment **under section 4 of this chapter, a**
 12 **reassessment of a group of parcels under a county's**
 13 **reassessment plan prepared under section 4.2 of this chapter,**
 14 or other property assessment activities are being properly
 15 conducted;

16 (2) work required to be performed by local officials under 50
 17 IAC 21 is being properly conducted; or

18 (3) property assessments are being properly made.

19 (c) If the department of local government finance:

20 (1) determines under subsection (a) that a general reassessment
 21 **under section 4 of this chapter, a reassessment of a group of**
 22 **parcels under a county's reassessment plan prepared under**
 23 **section 4.2 of this chapter,** or other assessment activities for a
 24 ~~general reassessment year or any other year~~ are not being properly
 25 conducted; and

26 (2) informs:

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

28 (B) the county assessor; and

29 (C) the president of the county council;

30 in writing under subsection (a);

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

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

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

38 (2) informs:

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

40 (B) the county assessor; and

41 (C) the president of the county council;

42 in writing under subsection (a);

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

50 (e) If the department of local government finance contracts to have

1 work conducted under subsection (d), the department shall forward the
 2 bill for the services to the county and the county shall pay the bill under
 3 the same procedures that apply to county payments of bills for
 4 assessment or reassessment services under section 31.5 of this chapter.

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

10 (1) Determine that:

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

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

16 (2) Determine that:

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

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

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

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

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

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

48 (d) Before assuming the duties of a county assessor, the department
 49 shall transmit a copy of the department's order requiring a state
 50 conducted assessment or reassessment to the county assessor, the

1 county fiscal body, the county auditor, and the county treasurer. Notice
 2 of the department's actions must be published one (1) time in a
 3 newspaper of general circulation published in the county. The
 4 department is not required to conduct a public hearing before taking
 5 action under this section.

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

- 9 (1) data;
- 10 (2) records;
- 11 (3) maps;
- 12 (4) parcel record cards;
- 13 (5) forms;
- 14 (6) computer software systems;
- 15 (7) computer hardware systems; and
- 16 (8) other information;

17 related to the assessment or reassessment of real property in the county.
 18 The information described in this subsection must be provided at no
 19 cost to the department or the contractor of the department. A failure to
 20 provide information requested under this subsection constitutes a
 21 failure to perform a duty related to an assessment or a general
 22 reassessment **under section 4 of this chapter or under a county's**
 23 **reassessment plan prepared under section 4.2 of this chapter** and
 24 is subject to IC 6-1.1-37-2.

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

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

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

- 38 (1) is subject to appeal by the taxpayer under section 31.7 of this
 39 chapter; and
- 40 (2) must include a statement of the taxpayer's rights under section
 41 31.7 of this chapter.

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

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

1 payment under this subsection for work performed under a contract if
2 the contractor:

- 3 (1) submits to the department a fully itemized, certified bill in the
4 form required by IC 5-11-10-1 for the costs of the work performed
5 under the contract;
6 (2) obtains from the department:
7 (A) approval of the form and amount of the bill; and
8 (B) a certification that the billed goods and services have been
9 received and comply with the contract; and
10 (3) files with the county auditor:
11 (A) a duplicate copy of the bill submitted to the department;
12 (B) proof of the department's approval of the form and amount
13 of the bill; and
14 (C) the department's certification that the billed goods and
15 services have been received and comply with the contract.

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

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

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

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

49 (l) The department or the contractor of the department shall use the
50 land values determined under section 13.6 of this chapter for a county

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

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

15 (1) a county auditor fails to:

16 (A) certify the contractor's bill;

17 (B) publish the contractor's claim;

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

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

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

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

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

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

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

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

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

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

41 (o) Upon receipt of the department's approval of a contractor's bill
 42 under subsection (n), the treasurer of state shall pay the contractor the
 43 amount of the bill approved by the department from money in the
 44 possession of the state that would otherwise be available for
 45 distribution to the county, including distributions of admissions taxes
 46 or wagering taxes.

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

1 department under subsection (o). Money shall be withheld from any
2 source payable to the county.

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

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

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

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

16 (1) a general reassessment under IC 6-1.1-4-4;

17 (2) **a reassessment of a group of parcels under a county's**
18 **reassessment plan prepared under IC 6-1.1-4-4.2;** or

19 (3) a new assessment;

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

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

24 (1) A county assessor.

25 (2) An assessing official.

26 (3) A county property tax assessment board of appeals.

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

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

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

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

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

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

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

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

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

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

15 SECTION 27. IC 6-1.1-12.1-4, AS AMENDED BY HEA
16 1009-2012, SECTION 40, IS AMENDED TO READ AS FOLLOWS
17 [EFFECTIVE JANUARY 1, 2013]: Sec. 4. (a) Except as provided in
18 section 2(i)(4) of this chapter, and subject to section 15 of this chapter,
19 the amount of the deduction which the property owner is entitled to
20 receive under section 3 of this chapter for a particular year equals the
21 product of:

- 22 (1) the increase in the assessed value resulting from the
23 rehabilitation or redevelopment; multiplied by
24 (2) either of the following:
25 (A) The percentage prescribed in the table set forth in
26 subsection (d).
27 (B) A percentage determined under section 17 of this chapter
28 if the designating body elects to use an alternative abatement
29 schedule provided under section 17 of this chapter.

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

- 33 (1) If:
34 (A) a general reassessment of real property **under**
35 **IC 6-1.1-4-4; or**
36 (B) **a reassessment under a county's reassessment plan**
37 **prepared under IC 6-1.1-4-4.2;**

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

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

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

48 (c) Property owners who had an area designated an urban
49 development area pursuant to an application filed prior to January 1,
50 1979, are only entitled to the deduction for the first through the fifth
51 years as provided in subsection (d)(10). In addition, property owners

1 who are entitled to a deduction under this chapter pursuant to an
 2 application filed after December 31, 1978, and before January 1, 1986,
 3 are entitled to a deduction for the first through the tenth years, as
 4 provided in subsection (d)(10).

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

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

8 YEAR OF DEDUCTION	PERCENTAGE
9 1st	100%

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

11 YEAR OF DEDUCTION	PERCENTAGE
12 1st	100%
13 2nd	50%

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

15 YEAR OF DEDUCTION	PERCENTAGE
16 1st	100%
17 2nd	66%
18 3rd	33%

19 (4) For deductions allowed over a four (4) year period:

20 YEAR OF DEDUCTION	PERCENTAGE
21 1st	100%
22 2nd	75%
23 3rd	50%
24 4th	25%

25 (5) For deductions allowed over a five (5) year period:

26 YEAR OF DEDUCTION	PERCENTAGE
27 1st	100%
28 2nd	80%
29 3rd	60%
30 4th	40%
31 5th	20%

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

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

40 (7) For deductions allowed over a seven (7) year period:

41 YEAR OF DEDUCTION	PERCENTAGE
42 1st	100%
43 2nd	85%
44 3rd	71%
45 4th	57%
46 5th	43%
47 6th	29%
48 7th	14%

49 (8) For deductions allowed over an eight (8) year period:

50 YEAR OF DEDUCTION	PERCENTAGE
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1	1st	100%
2	2nd	88%
3	3rd	75%
4	4th	63%
5	5th	50%
6	6th	38%
7	7th	25%
8	8th	13%
9	(9) For deductions allowed over a nine (9) year period:	
10	YEAR OF DEDUCTION	PERCENTAGE
11	1st	100%
12	2nd	88%
13	3rd	77%
14	4th	66%
15	5th	55%
16	6th	44%
17	7th	33%
18	8th	22%
19	9th	11%
20	(10) For deductions allowed over a ten (10) year period:	
21	YEAR OF DEDUCTION	PERCENTAGE
22	1st	100%
23	2nd	95%
24	3rd	80%
25	4th	65%
26	5th	50%
27	6th	40%
28	7th	30%
29	8th	20%
30	9th	10%
31	10th	5%

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

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

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

(1) A description of the eligible vacant building that the property owner or a tenant of the property owner will occupy.

(2) An estimate of the number of individuals who will be

- 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
 43 property owner or a tenant of the property owner occupies the eligible
 44 vacant building and uses it for commercial or industrial purposes. The
 45 property owner is entitled to the deduction:
- 46 (1) for the first year in which the property owner or a tenant of the
 47 property owner occupies the eligible vacant building and uses it
 48 for commercial or industrial purposes; and
 49 (2) for subsequent years determined under subsection (g).
- 50 (g) The designating body shall determine the number of years for

1 which a property owner is entitled to a deduction under this section.
 2 However, subject to section 15 of this chapter, the deduction may not
 3 be allowed for more than two (2) years. This determination shall be
 4 made:

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

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

10 A certified copy of a resolution under subdivision (2) shall be sent to
 11 the county auditor, who shall make the deduction as provided in section
 12 5.3 of this chapter. A determination concerning the number of years the
 13 deduction is allowed that is made under subdivision (1) is final and
 14 may not be changed by using the procedure under subdivision (2).

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

19 (1) the assessed value of the building or part of the building that
 20 is occupied by the property owner or a tenant of the property
 21 owner; multiplied by

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

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

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

YEAR OF DEDUCTION	PERCENTAGE
1st	100%

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

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	50%

32 (j) The amount of the deduction determined under subsection (h)
 33 shall be adjusted in accordance with this subsection in the following
 34 circumstances:

35 (1) If:

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

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

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

44 (2) If an appeal of an assessment is approved and results in a
 45 reduction of the assessed value of the property, the amount of a
 46 deduction under this section shall be adjusted to reflect the
 47 percentage decrease that resulted from the appeal.

48 (k) The maximum amount of a deduction under this section may not
 49 exceed the lesser of:

50 (1) the annual amount for which the eligible vacant building was

1 offered for lease or rent by the owner or a previous owner during
 2 the period the eligible vacant building was unoccupied; or
 3 (2) an amount, as determined by the designating body in its
 4 discretion, that is equal to the annual amount for which similar
 5 buildings in the county or contiguous counties were leased or
 6 rented or offered for lease or rent during the period the eligible
 7 vacant building was unoccupied.

8 (l) The department of local government finance may adopt rules
 9 under IC 4-22-2 to implement this section.

10 SECTION 29. IC 6-1.1-12.4-2, AS AMENDED BY P.L.146-2008,
 11 SECTION 130, IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE JANUARY 1, 2013]: Sec. 2. (a) For purposes of this
 13 section, an increase in the assessed value of real property is determined
 14 in the same manner that an increase in the assessed value of real
 15 property is determined for purposes of IC 6-1.1-12.1.

16 (b) This subsection applies only to a development, redevelopment,
 17 or rehabilitation that is first assessed after March 1, 2005, and before
 18 March 2, 2007. Except as provided in subsection (h) and sections 4, 5,
 19 and 8 of this chapter, an owner of real property that:

- 20 (1) develops, redevelops, or rehabilitates the real property; and
- 21 (2) creates or retains employment from the development,
 22 redevelopment, or rehabilitation;

23 is entitled to a deduction from the assessed value of the real property.

24 (c) Subject to section 14 of this chapter, the deduction under this
 25 section is first available in the year in which the increase in assessed
 26 value resulting from the development, redevelopment, or rehabilitation
 27 occurs and continues for the following two (2) years. The amount of the
 28 deduction that a property owner may receive with respect to real
 29 property located in a county for a particular year equals the lesser of:

- 30 (1) two million dollars (\$2,000,000); or
- 31 (2) the product of:
 32 (A) the increase in assessed value resulting from the
 33 development, rehabilitation, or redevelopment; multiplied by
 34 (B) the percentage from the following table:

35 YEAR OF DEDUCTION	PERCENTAGE
36 1st	75%
37 2nd	50%
38 3rd	25%

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

- 45 (1) inform the county auditor of the real property eligible for the
 46 deduction as contained in the notice filed by the taxpayer under
 47 this subsection; and
- 48 (2) inform the county auditor of the deduction amount.

49 (e) The county auditor shall:

- 50 (1) make the deductions; and

- 1 (2) notify the county property tax assessment board of appeals of
 2 all deductions approved;
 3 under this section.
- 4 (f) The amount of the deduction determined under subsection (c)(2)
 5 is adjusted to reflect the percentage increase or decrease in assessed
 6 valuation that results from:
- 7 (1) a general reassessment of real property **under IC 6-1.1-4-4;**
 8 **(2) a reassessment under a county's reassessment plan**
 9 **prepared under ~~IC 6-1.1-4-4~~; IC 6-1.1-4-4.2;** or
 10 ~~(2)~~ **(3) an annual adjustment under IC 6-1.1-4-4.5.**
- 11 (g) If an appeal of an assessment is approved that results in a
 12 reduction of the assessed value of the real property, the amount of the
 13 deduction under this section is adjusted to reflect the percentage
 14 decrease that results from the appeal.
- 15 (h) The deduction under this section does not apply to a facility
 16 listed in IC 6-1.1-12.1-3(e).
- 17 SECTION 30. IC 6-1.1-13-6 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 6. **(a)** A county
 19 assessor shall inquire into the assessment of the classes of tangible
 20 property in the various townships of the county after March 1 in the
 21 year in which ~~the a~~ general reassessment **under IC 6-1.1-4-4** becomes
 22 effective. The county assessor shall make any changes, whether
 23 increases or decreases, in the assessed values which are necessary in
 24 order to equalize these values in and between the various townships of
 25 the county. In addition, the county assessor shall determine the percent
 26 to be added to or deducted from the assessed values in order to make
 27 a just, equitable, and uniform equalization of assessments in and
 28 between the townships of the county.
- 29 **(b) A county assessor shall inquire into the assessment of the**
 30 **classes of tangible property in the group of parcels under a**
 31 **county's reassessment plan prepared under IC 6-1.1-4-4.2 after**
 32 **March 1 in the year in which the reassessment of tangible property**
 33 **in that group of parcels becomes effective. The county assessor**
 34 **shall make any changes, whether increases or decreases, in the**
 35 **assessed values that are necessary in order to equalize these values**
 36 **in that group. In addition, the county assessor shall determine the**
 37 **percent to be added to or deducted from the assessed values in**
 38 **order to make a just, equitable, and uniform equalization of**
 39 **assessments in that group.**
- 40 SECTION 31. IC 6-1.1-13-7 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 7. If a county
 42 assessor proposes to change assessments under section 6 of this
 43 chapter, the property tax assessment board of appeals shall hold a
 44 hearing on the proposed changes before July 15 in the year in which a
 45 ~~general assessment~~ **the reassessment** is to commence. It is sufficient
 46 notice of the hearing and of any changes in assessments ordered by the
 47 board subsequent to the hearing if the board gives notice by publication
 48 once either in:
- 49 (1) two (2) newspapers which represent different political parties
 50 and which are published in the county; or
 51 (2) one (1) newspaper only, if two (2) newspapers which

1 represent different political parties are not published in the
2 county.

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

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

26 (c) If a petition for review does not comply with the Indiana board's
27 instructions for completing the form prescribed under section 3 of this
28 chapter, the Indiana board shall return the petition to the petitioner and
29 include a notice describing the defect in the petition. The petitioner
30 then has thirty (30) days from the date on the notice to cure the defect
31 and file a corrected petition. The Indiana board shall deny a corrected
32 petition for review if it does not substantially comply with the Indiana
33 board's instructions for completing the form prescribed under section
34 3 of this chapter.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

45 (n) The Indiana board may base its final determination on a
46 stipulation between the respondent and the petitioner. If the final
47 determination is based on a stipulated assessed valuation of tangible
48 property, the Indiana board may order the placement of a notation on
49 the permanent assessment record of the tangible property that the
50 assessed valuation was determined by stipulation. The Indiana board

1 may:

- 2 (1) order that a final determination under this subsection has no
 3 precedential value; or
 4 (2) specify a limited precedential value of a final determination
 5 under this subsection.

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

- 13 (1) information concerning the assessed valuation in the political
 14 subdivision for the next calendar year;
 15 (2) an estimate of the taxes to be distributed to the political
 16 subdivision during the last six (6) months of the current calendar
 17 year;
 18 (3) the current assessed valuation as shown on the abstract of
 19 charges;
 20 (4) the average growth in assessed valuation in the political
 21 subdivision over the preceding three (3) budget years, ~~excluding~~
 22 ~~years in which a general reassessment occurs, determined~~
 23 **adjusted** according to procedures established by the department
 24 of local government finance **to account for reassessment under**
 25 **IC 6-1.1-4-4 or IC 6-1.1-4-4.2;**
 26 (5) the amount of the political subdivision's assessed valuation
 27 reduction determined under section 0.5(d) of this chapter;
 28 (6) for counties with taxing units that cross into or intersect with
 29 other counties, the assessed valuation as shown on the most
 30 current abstract of property; and
 31 (7) any other information at the disposal of the county auditor that
 32 might affect the assessed value used in the budget adoption
 33 process.

- 34 (b) The estimate of taxes to be distributed shall be based on:
 35 (1) the abstract of taxes levied and collectible for the current
 36 calendar year, less any taxes previously distributed for the
 37 calendar year; and
 38 (2) any other information at the disposal of the county auditor
 39 which might affect the estimate.

40 (c) The fiscal officer of each political subdivision shall present the
 41 county auditor's statement to the proper officers of the political
 42 subdivision.

43 (d) Subject to subsection (e), after the county auditor sends a
 44 certified statement under subsection (a) or an amended certified
 45 statement under this subsection with respect to a political subdivision
 46 and before the department of local government finance certifies its
 47 action with respect to the political subdivision under section 16(f) of
 48 this chapter, the county auditor may amend the information concerning
 49 assessed valuation included in the earlier certified statement. The
 50 county auditor shall send a certified statement amended under this

1 subsection, under the seal of the board of county commissioners, to:

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

5 (e) Except as provided in subsection (f), before the county auditor
6 makes an amendment under subsection (d), the county auditor must
7 provide an opportunity for public comment on the proposed
8 amendment at a public hearing. The county auditor must give notice of
9 the hearing under IC 5-3-1. If the county auditor makes the amendment
10 as a result of information provided to the county auditor by an assessor,
11 the county auditor shall give notice of the public hearing to the
12 assessor.

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

- 15 (1) the amendment under subsection (d) is proposed to correct a
16 mathematical error made in the determination of the amount of
17 assessed valuation included in the earlier certified statement;
18 (2) the amendment under subsection (d) is proposed to add to the
19 amount of assessed valuation included in the earlier certified
20 statement assessed valuation of omitted property discovered after
21 the county auditor sent the earlier certified statement; or
22 (3) the county auditor determines that the amendment under
23 subsection (d) will not result in an increase in the tax rate or tax
24 rates of the political subdivision.

25 SECTION 34. IC 6-1.1-18-12, AS AMENDED BY P.L.172-2011,
26 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
27 JANUARY 1, 2013]: Sec. 12. (a) For purposes of this section,
28 "maximum rate" refers to the maximum:

- 29 (1) property tax rate or rates; or
30 (2) special benefits tax rate or rates;

31 referred to in the statutes listed in subsection (d).

32 (b) The maximum rate for taxes first due and payable after 2003 is
33 the maximum rate that would have been determined under subsection
34 (e) for taxes first due and payable in 2003 if subsection (e) had applied
35 for taxes first due and payable in 2003.

36 (c) The maximum rate must be adjusted each year to account for the
37 change in assessed value of real property that results from:

- 38 (1) an annual adjustment of the assessed value of real property
39 under IC 6-1.1-4-4.5; ~~or~~
40 (2) a general reassessment of real property under IC 6-1.1-4-4; **or**
41 **(3) a reassessment under a county's reassessment plan**
42 **prepared under IC 6-1.1-4-4.2.**

43 (d) The statutes to which subsection (a) refers are:

- 44 (1) IC 8-10-5-17;
45 (2) IC 8-22-3-11;
46 (3) IC 8-22-3-25;
47 (4) IC 12-29-1-1;
48 (5) IC 12-29-1-2;
49 (6) IC 12-29-1-3;
50 (7) IC 12-29-3-6;

- 1 (8) IC 13-21-3-12;
- 2 (9) IC 13-21-3-15;
- 3 (10) IC 14-27-6-30;
- 4 (11) IC 14-33-7-3;
- 5 (12) IC 14-33-21-5;
- 6 (13) IC 15-14-7-4;
- 7 (14) IC 15-14-9-1;
- 8 (15) IC 15-14-9-2;
- 9 (16) IC 16-20-2-18;
- 10 (17) IC 16-20-4-27;
- 11 (18) IC 16-20-7-2;
- 12 (19) IC 16-22-14;
- 13 (20) IC 16-23-1-29;
- 14 (21) IC 16-23-3-6;
- 15 (22) IC 16-23-4-2;
- 16 (23) IC 16-23-5-6;
- 17 (24) IC 16-23-7-2;
- 18 (25) IC 16-23-8-2;
- 19 (26) IC 16-23-9-2;
- 20 (27) IC 16-41-15-5;
- 21 (28) IC 16-41-33-4;
- 22 (29) IC 20-46-2-3 (before its repeal on January 1, 2009);
- 23 (30) IC 20-46-6-5;
- 24 (31) IC 20-49-2-10;
- 25 (32) IC 36-1-19-1;
- 26 (33) IC 23-14-66-2;
- 27 (34) IC 23-14-67-3;
- 28 (35) IC 36-7-13-4;
- 29 (36) IC 36-7-14-28;
- 30 (37) IC 36-7-15.1-16;
- 31 (38) IC 36-8-19-8.5;
- 32 (39) IC 36-9-6.1-2;
- 33 (40) IC 36-9-17.5-4;
- 34 (41) IC 36-9-27-73;
- 35 (42) IC 36-9-29-31;
- 36 (43) IC 36-9-29.1-15;
- 37 (44) IC 36-10-6-2;
- 38 (45) IC 36-10-7-7;
- 39 (46) IC 36-10-7-8;
- 40 (47) IC 36-10-7.5-19;
- 41 (48) IC 36-10-13-5;
- 42 (49) IC 36-10-13-7;
- 43 (50) IC 36-10-14-4;
- 44 (51) IC 36-12-7-7;
- 45 (52) IC 36-12-7-8;
- 46 (53) IC 36-12-12-10; and
- 47 (54) any statute enacted after December 31, 2003, that:
- 48 (A) establishes a maximum rate for any part of the:
- 49 (i) property taxes; or
- 50 (ii) special benefits taxes;

- 1 imposed by a political subdivision; and
 2 (B) does not exempt the maximum rate from the adjustment
 3 under this section.
- 4 (e) The new maximum rate under a statute listed in subsection (d)
 5 is the tax rate determined under STEP SEVEN of the following STEPS:
 6 STEP ONE: Determine the maximum rate for the political
 7 subdivision levying a property tax or special benefits tax under
 8 the statute for the year preceding the year in which the annual
 9 adjustment or ~~general the~~ reassessment **under IC 6-1.1-4-4 or**
 10 **IC 6-1.1-4-4.2** takes effect.
 11 STEP TWO: Except as provided in subsection (g), determine the
 12 actual percentage change (rounded to the nearest one-hundredth
 13 percent (0.01%)) in the assessed value (before the adjustment, if
 14 any, under IC 6-1.1-4-4.5) of the taxable property from the year
 15 preceding the year the annual adjustment or ~~general the~~
 16 reassessment **under IC 6-1.1-4-4 or IC 6-1.1-4-4.2** takes effect
 17 to the year that the annual adjustment or ~~general the~~ reassessment
 18 **under IC 6-1.1-4-4 or IC 6-1.1-4-4.2** takes effect.
 19 STEP THREE: Determine the three (3) calendar years that
 20 immediately precede the ensuing calendar year and in which a
 21 statewide general reassessment of real property **under**
 22 **IC 6-1.1-4-4** does not first take effect.
 23 STEP FOUR: Except as provided in subsection (g), compute
 24 separately, for each of the calendar years determined in STEP
 25 THREE, the actual percentage change (rounded to the nearest
 26 one-hundredth percent (0.01%)) in the assessed value (before the
 27 adjustment, if any, under IC 6-1.1-4-4.5) of the taxable property
 28 from the preceding year.
 29 STEP FIVE: Divide the sum of the three (3) quotients computed
 30 in STEP FOUR by three (3).
 31 STEP SIX: Determine the greater of the following:
 32 (A) Zero (0).
 33 (B) The result of the STEP TWO percentage minus the STEP
 34 FIVE percentage.
 35 STEP SEVEN: Determine the quotient of the STEP ONE tax rate
 36 divided by the sum of one (1) plus the STEP SIX percentage
 37 increase.
- 38 (f) The department of local government finance shall compute the
 39 maximum rate allowed under subsection (e) and provide the rate to
 40 each political subdivision with authority to levy a tax under a statute
 41 listed in subsection (d).
- 42 (g) This subsection applies to STEP TWO and STEP FOUR of
 43 subsection (e) for taxes first due and payable after 2011. If the assessed
 44 value change used in the STEPS was not an increase, the STEPS are
 45 applied using instead:
 46 (1) the actual percentage decrease (rounded to the nearest
 47 one-hundredth percent (0.01%)) in the assessed value (before the
 48 adjustment, if any, under IC 6-1.1-4-4.5) of the taxable property;
 49 or
 50 (2) zero (0) if the assessed value did not increase or decrease.

1 SECTION 35. IC 6-1.1-18-13, AS AMENDED BY P.L.219-2007,
 2 SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JANUARY 1, 2013]: Sec. 13. (a) The maximum property tax rate
 4 levied under IC 20-46-6 by each school corporation for the school
 5 corporation's capital projects fund must be adjusted each year to
 6 account for the change in assessed value of real property that results
 7 from:

- 8 (1) an annual adjustment of the assessed value of real property
 9 under IC 6-1.1-4-4.5; **or**
 10 (2) a general reassessment of real property under IC 6-1.1-4-4; **or**
 11 **(3) a reassessment under a county's reassessment plan**
 12 **prepared under IC 6-1.1-4-4.2.**

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

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

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

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

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

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

37 STEP SIX: Determine the greater of the following:

38 (A) Zero (0).

39 (B) The result of the STEP TWO percentage minus the STEP
 40 FIVE percentage.

41 STEP SEVEN: Determine the quotient of the STEP ONE tax rate
 42 divided by the sum of one (1) plus the STEP SIX percentage
 43 increase.

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

47 SECTION 36. IC 6-1.1-18.5-9.8, AS AMENDED BY P.L.172-2011,
 48 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 49 JANUARY 1, 2013]: Sec. 9.8. (a) For purposes of determining the
 50 property tax levy limit imposed on a city, town, or county under section

1 3 of this chapter, the city, town, or county's ad valorem property tax
 2 levy for a particular calendar year does not include an amount equal to
 3 the lesser of:

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

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

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

14 IC 3-11-6-9;

15 IC 8-16-3;

16 IC 8-16-3.1;

17 IC 8-22-3-25;

18 IC 14-27-6-48;

19 IC 14-33-9-3;

20 IC 16-22-8-41;

21 IC 16-22-5-2 through IC 16-22-5-15;

22 IC 16-23-1-40;

23 IC 36-8-14;

24 IC 36-9-4-48;

25 IC 36-9-14;

26 IC 36-9-14.5;

27 IC 36-9-15;

28 IC 36-9-15.5;

29 IC 36-9-16;

30 IC 36-9-16.5;

31 IC 36-9-17;

32 IC 36-9-26;

33 IC 36-9-27-100;

34 IC 36-10-3-21; or

35 IC 36-10-4-36;

36 that are first due and payable during the ensuing calendar year;
 37 over

38 (B) the property taxes imposed by the city, town, or county
 39 under the authority of the citations listed in clause (A) that
 40 were first due and payable during calendar year 1984.

41 (b) The maximum property tax rate levied under the statutes listed
 42 in subsection (a) must be adjusted each year to account for the change
 43 in assessed value of real property that results from:

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

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

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

49 (c) The new maximum rate under a statute listed in subsection (a)
 50 is the tax rate determined under STEP SEVEN of the following

1 formula:

2 STEP ONE: Determine the maximum rate for the political

3 subdivision levying a property tax under the statute for the year

4 preceding the year in which 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 STEP TWO: Subject to subsection (e), determine the actual

7 percentage change (rounded to the nearest one-hundredth percent

8 (0.01%)) in the assessed value (before the adjustment, if any,

9 under IC 6-1.1-4-4.5) of the taxable property from the year

10 preceding the year the annual adjustment or ~~general the~~

11 reassessment **under IC 6-1.1-4-4 or IC 6-1.1-4-4.2** takes effect

12 to the year that the annual adjustment or ~~general the~~ reassessment

13 is effective.

14 STEP THREE: Determine the three (3) calendar years that

15 immediately precede the ensuing calendar year and in which a

16 statewide general reassessment of real property **under**

17 **IC 6-1.1-4-4** does not first become effective.

18 STEP FOUR: Subject to subsection (e), compute separately, for

19 each of the calendar years determined in STEP THREE, 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 preceding

23 year.

24 STEP FIVE: Divide the sum of the three (3) quotients computed

25 in STEP FOUR by three (3).

26 STEP SIX: Determine the greater of the following:

27 (A) Zero (0).

28 (B) The result of the STEP TWO percentage minus the STEP

29 FIVE percentage.

30 STEP SEVEN: Determine the quotient of the STEP ONE tax rate

31 divided by the sum of one (1) plus the STEP SIX percentage

32 increase.

33 (d) The department of local government finance shall compute the

34 maximum rate allowed under subsection (c) and provide the rate to

35 each political subdivision with authority to levy a tax under a statute

36 listed in subsection (a).

37 (e) This subsection applies to STEP TWO and STEP FOUR of

38 subsection (c) for taxes first due and payable after 2011. If the assessed

39 value change used in the STEPS was not an increase, the STEPS are

40 applied using instead:

41 (1) the actual percentage decrease (rounded to the nearest

42 one-hundredth percent (0.01%)) in the assessed value (before the

43 adjustment, if any, under IC 6-1.1-4-4.5) of the taxable property;

44 or

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

46 SECTION 37. IC 6-1.1-18.5-10, AS AMENDED BY

47 P.L.182-2009(ss), SECTION 128, IS AMENDED TO READ AS

48 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 10. (a) The ad

49 valorem property tax levy limits imposed by section 3 of this chapter

50 do not apply to ad valorem property taxes imposed by a civil taxing

- 1 unit to be used to fund:
- 2 (1) community mental health centers under:
- 3 (A) IC 12-29-2-1.2, for only those civil taxing units that
- 4 authorized financial assistance under IC 12-29-1 before 2002
- 5 for a community mental health center as long as the tax levy
- 6 under this section does not exceed the levy authorized in 2002;
- 7 (B) IC 12-29-2-2 through IC 12-29-2-5; and
- 8 (C) IC 12-29-2-13; or
- 9 (2) community mental retardation and other developmental
- 10 disabilities centers under IC 12-29-1-1;
- 11 to the extent that those property taxes are attributable to any increase
- 12 in the assessed value of the civil taxing unit's taxable property caused
- 13 by a general reassessment of real property **under IC 6-1.1-4-4 or a**
- 14 **reassessment of real property under a reassessment plan prepared**
- 15 **under IC 6-1.1-4-4.2** that took effect after February 28, 1979.
- 16 (b) For purposes of computing the ad valorem property tax levy
- 17 limits imposed on a civil taxing unit by section 3 of this chapter, the
- 18 civil taxing unit's ad valorem property tax levy for a particular calendar
- 19 year does not include that part of the levy described in subsection (a).
- 20 (c) This subsection applies to property taxes first due and payable
- 21 after December 31, 2008. Notwithstanding subsections (a) and (b) or
- 22 any other law, any property taxes imposed by a civil taxing unit that are
- 23 exempted by this section from the ad valorem property tax levy limits
- 24 imposed by section 3 of this chapter may not increase annually by a
- 25 percentage greater than the result of:
- 26 (1) the assessed value growth quotient determined under section
- 27 2 of this chapter; minus
- 28 (2) one (1).
- 29 (d) For a county that:
- 30 (1) did not impose an ad valorem property tax levy in 2008 for the
- 31 county general fund to provide financial assistance under
- 32 IC 12-29-1 (community mental retardation and other
- 33 developmental disabilities center) or IC 12-29-2 (community
- 34 mental health center); and
- 35 (2) determines for 2009 or a later calendar year to impose a levy
- 36 as described in subdivision (1);
- 37 the ad valorem property tax levy limits imposed under section 3 of this
- 38 chapter do not apply to the part of the county's general fund levy that
- 39 is used in the first calendar year for which a determination is made
- 40 under subdivision (2) to provide financial assistance under IC 12-29-1
- 41 or IC 12-29-2. The department of local government finance shall
- 42 review a county's proposed budget that is submitted under IC 12-29-1-1
- 43 or IC 12-29-2-1.2 and make a final determination of the amount to
- 44 which the levy limits do not apply under this subsection for the first
- 45 calendar year for which a determination is made under subdivision (2).
- 46 (e) The ad valorem property tax levy limits imposed under section
- 47 3 of this chapter do not apply to the county's general fund levy in the
- 48 amount determined by the department of local government finance
- 49 under subsection (d) in each calendar year following the calendar year
- 50 for which the determination under subsection (b) is made.

1 SECTION 38. IC 6-1.1-18.5-13, AS AMENDED BY SEA
 2 115-2012, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JANUARY 1, 2013]: Sec. 13. (a) With respect to an appeal filed under
 4 section 12 of this chapter, the department may find that a civil taxing
 5 unit should receive any one (1) or more of the following types of relief:

6 (1) Permission to the civil taxing unit to increase its levy in excess
 7 of the limitations established under section 3 of this chapter, if in
 8 the judgment of the department the increase is reasonably
 9 necessary due to increased costs of the civil taxing unit resulting
 10 from annexation, consolidation, or other extensions of
 11 governmental services by the civil taxing unit to additional
 12 geographic areas or persons. With respect to annexation,
 13 consolidation, or other extensions of governmental services in a
 14 calendar year, if those increased costs are incurred by the civil
 15 taxing unit in that calendar year and more than one (1)
 16 immediately succeeding calendar year, the unit may appeal under
 17 section 12 of this chapter for permission to increase its levy under
 18 this subdivision based on those increased costs in any of the
 19 following:

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

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

23 (2) A levy increase may not be granted under this subdivision for
 24 property taxes first due and payable after December 31, 2008.
 25 Permission to the civil taxing unit to increase its levy in excess of
 26 the limitations established under section 3 of this chapter, if the
 27 local government tax control board finds that the civil taxing unit
 28 needs the increase to meet the civil taxing unit's share of the costs
 29 of operating a court established by statute enacted after December
 30 31, 1973. Before recommending such an increase, the local
 31 government tax control board shall consider all other revenues
 32 available to the civil taxing unit that could be applied for that
 33 purpose. The maximum aggregate levy increases that the local
 34 government tax control board may recommend for a particular
 35 court equals the civil taxing unit's estimate of the unit's share of
 36 the costs of operating a court for the first full calendar year in
 37 which it is in existence. For purposes of this subdivision, costs of
 38 operating a court include:

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

40 (B) the cost of supplies; and

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

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

47 STEP ONE: Determine the three (3) calendar years that most
 48 immediately precede the ensuing calendar year and in which
 49 a statewide general reassessment of real property ~~or the initial~~
 50 ~~annual adjustment of the assessed value of real property under~~

1 ~~IC 6-1.1-4-4.5~~ **under IC 6-1.1-4-4** does not first become
 2 effective.
 3 STEP TWO: Compute separately, for each of the calendar
 4 years determined in STEP ONE, the quotient (rounded to the
 5 nearest ten-thousandth (0.0001)) of the sum of the civil taxing
 6 unit's total assessed value of all taxable property and:
 7 (i) for a particular calendar year before 2007, the total
 8 assessed value of property tax deductions in the unit under
 9 IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar
 10 year; or
 11 (ii) for a particular calendar year after 2006, the total
 12 assessed value of property tax deductions that applied in the
 13 unit under IC 6-1.1-12-42 in 2006 plus for a particular
 14 calendar year after 2009, the total assessed value of property
 15 tax deductions that applied in the unit under
 16 IC 6-1.1-12-37.5 in 2008;
 17 divided by the sum determined under this STEP for the
 18 calendar year immediately preceding the particular calendar
 19 year.
 20 STEP THREE: Divide the sum of the three (3) quotients
 21 computed in STEP TWO by three (3).
 22 STEP FOUR: Compute separately, for each of the calendar
 23 years determined in STEP ONE, the quotient (rounded to the
 24 nearest ten-thousandth (0.0001)) of the sum of the total
 25 assessed value of all taxable property in all counties and:
 26 (i) for a particular calendar year before 2007, the total
 27 assessed value of property tax deductions in all counties
 28 under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular
 29 calendar year; or
 30 (ii) for a particular calendar year after 2006, the total
 31 assessed value of property tax deductions that applied in all
 32 counties under IC 6-1.1-12-42 in 2006 plus for a particular
 33 calendar year after 2009, the total assessed value of property
 34 tax deductions that applied in the unit under
 35 IC 6-1.1-12-37.5 in 2008;
 36 divided by the sum determined under this STEP for the
 37 calendar year immediately preceding the particular calendar
 38 year.
 39 STEP FIVE: Divide the sum of the three (3) quotients
 40 computed in STEP FOUR by three (3).
 41 STEP SIX: Divide the STEP THREE amount by the STEP
 42 FIVE amount.
 43 The civil taxing unit may increase its levy by a percentage not
 44 greater than the percentage by which the STEP THREE amount
 45 exceeds the percentage by which the civil taxing unit may
 46 increase its levy under section 3 of this chapter based on the
 47 assessed value growth quotient determined under section 2 of this
 48 chapter.
 49 (4) A levy increase may not be granted under this subdivision for
 50 property taxes first due and payable after December 31, 2008.

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

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

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

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

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

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

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

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

48 (A) the township's township assistance ad valorem property
 49 tax rate is less than one and sixty-seven hundredths cents
 50 (\$0.0167) per one hundred dollars (\$100) of assessed

- 1 valuation; and
- 2 (B) the township needs the increase to meet the costs of
- 3 providing township assistance under IC 12-20 and IC 12-30-4.
- 4 The maximum increase that the board may recommend for a
- 5 township is the levy that would result from an increase in the
- 6 township's township assistance ad valorem property tax rate of
- 7 one and sixty-seven hundredths cents (\$0.0167) per one hundred
- 8 dollars (\$100) of assessed valuation minus the township's ad
- 9 valorem property tax rate per one hundred dollars (\$100) of
- 10 assessed valuation before the increase.
- 11 (7) A levy increase may not be granted under this subdivision for
- 12 property taxes first due and payable after December 31, 2008.
- 13 Permission to a civil taxing unit to increase its levy in excess of
- 14 the limitations established under section 3 of this chapter if:
- 15 (A) the increase has been approved by the legislative body of
- 16 the municipality with the largest population where the civil
- 17 taxing unit provides public transportation services; and
- 18 (B) the local government tax control board finds that the civil
- 19 taxing unit needs the increase to provide adequate public
- 20 transportation services.
- 21 The local government tax control board shall consider tax rates
- 22 and levies in civil taxing units of comparable population, and the
- 23 effect (if any) of a loss of federal or other funds to the civil taxing
- 24 unit that might have been used for public transportation purposes.
- 25 However, the increase that the board may recommend under this
- 26 subdivision for a civil taxing unit may not exceed the revenue that
- 27 would be raised by the civil taxing unit based on a property tax
- 28 rate of one cent (\$0.01) per one hundred dollars (\$100) of
- 29 assessed valuation.
- 30 (8) A levy increase may not be granted under this subdivision for
- 31 property taxes first due and payable after December 31, 2008.
- 32 Permission to a civil taxing unit to increase the unit's levy in
- 33 excess of the limitations established under section 3 of this
- 34 chapter if the local government tax control board finds that:
- 35 (A) the civil taxing unit is:
- 36 (i) a county having a population of more than one hundred
- 37 seventy thousand (170,000) but less than one hundred
- 38 seventy-five thousand (175,000);
- 39 (ii) a city having a population of more than sixty-five
- 40 thousand (65,000) but less than seventy thousand (70,000);
- 41 (iii) a city having a population of more than twenty-nine
- 42 thousand five hundred (29,500) but less than twenty-nine
- 43 thousand six hundred (29,600);
- 44 (iv) a city having a population of more than thirteen
- 45 thousand four hundred fifty (13,450) but less than thirteen
- 46 thousand five hundred (13,500); or
- 47 (v) a city having a population of more than eight thousand
- 48 seven hundred (8,700) but less than nine thousand (9,000);
- 49 and
- 50 (B) the increase is necessary to provide funding to undertake

1 removal (as defined in IC 13-11-2-187) and remedial action
 2 (as defined in IC 13-11-2-185) relating to hazardous
 3 substances (as defined in IC 13-11-2-98) in solid waste
 4 disposal facilities or industrial sites in the civil taxing unit that
 5 have become a menace to the public health and welfare.

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

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

20 (A) having a population of more than eighty thousand (80,000)
 21 but less than ninety thousand (90,000) to increase the county's
 22 levy in excess of the limitations established under section 3 of
 23 this chapter, if the local government tax control board finds
 24 that the county needs the increase to meet the county's share of
 25 the costs of operating a jail or juvenile detention center,
 26 including expansion of the facility, if the jail or juvenile
 27 detention center is opened after December 31, 1991;

28 (B) that operates a county jail or juvenile detention center that
 29 is subject to an order that:

30 (i) was issued by a federal district court; and
 31 (ii) has not been terminated;

32 (C) that operates a county jail that fails to meet:

33 (i) American Correctional Association Jail Construction
 34 Standards; and
 35 (ii) Indiana jail operation standards adopted by the
 36 department of correction; or

37 (D) that operates a juvenile detention center that fails to meet
 38 standards equivalent to the standards described in clause (C)
 39 for the operation of juvenile detention centers.

40 Before recommending an increase, the local government tax
 41 control board shall consider all other revenues available to the
 42 county that could be applied for that purpose. An appeal for
 43 operating funds for a jail or a juvenile detention center shall be
 44 considered individually, if a jail and juvenile detention center are
 45 both opened in one (1) county. The maximum aggregate levy
 46 increases that the local government tax control board may
 47 recommend for a county equals the county's share of the costs of
 48 operating the jail or a juvenile detention center for the first full
 49 calendar year in which the jail or juvenile detention center is in
 50 operation.

1 (10) A levy increase may not be granted under this subdivision for
 2 property taxes first due and payable after December 31, 2008.
 3 Permission for a township to increase its levy in excess of the
 4 limitations established under section 3 of this chapter, if the local
 5 government tax control board finds that the township needs the
 6 increase so that the property tax rate to pay the costs of furnishing
 7 fire protection for a township, or a portion of a township, enables
 8 the township to pay a fair and reasonable amount under a contract
 9 with the municipality that is furnishing the fire protection.
 10 However, for the first time an appeal is granted the resulting rate
 11 increase may not exceed fifty percent (50%) of the difference
 12 between the rate imposed for fire protection within the
 13 municipality that is providing the fire protection to the township
 14 and the township's rate. A township is required to appeal a second
 15 time for an increase under this subdivision if the township wants
 16 to further increase its rate. However, a township's rate may be
 17 increased to equal but may not exceed the rate that is used by the
 18 municipality. More than one (1) township served by the same
 19 municipality may use this appeal.

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

36 (12) Permission to a city having a population of more than
 37 thirty-one thousand five hundred (31,500) but less than thirty-one
 38 thousand seven hundred twenty-five (31,725) to increase its levy
 39 in excess of the limitations established under section 3 of this
 40 chapter if:

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

44 (B) the increase has been approved by the legislative body of
 45 the city, and the legislative body of the city has by resolution
 46 determined that the increase is necessary to pay normal
 47 operating expenses.

48 The maximum amount of the increase is equal to the amount of
 49 property tax replacement credits under IC 6-3.5-1.1 that the city
 50 petitioned under this section to have reallocated in 2001 for a

1 purpose other than property tax relief.

2 (13) A levy increase may be granted under this subdivision only
3 for property taxes first due and payable after December 31, 2008.
4 Permission to a civil taxing unit to increase its levy in excess of
5 the limitations established under section 3 of this chapter if the
6 civil taxing unit cannot carry out its governmental functions for
7 an ensuing calendar year under the levy limitations imposed by
8 section 3 of this chapter due to a natural disaster, an accident, or
9 another unanticipated emergency.

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

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

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

27 (2) the sum of:

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

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

37 SECTION 39. IC 6-1.1-22.5-6, AS AMENDED BY P.L.89-2010,
38 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 JULY 1, 2012]: Sec. 6. (a) This section applies to property taxes
40 payable under this article on assessments determined for the 2003
41 assessment date or the assessment date in any later year, **regardless of**
42 **whether a proceeding to determine the necessity of a reassessment**
43 **is being conducted under IC 6-1.1-4-5, IC 6-1.1-4-9, or another law.**
44 The county treasurer shall use a provisional statement under this
45 chapter if the county auditor fails to deliver the abstract for that
46 assessment date to the county treasurer under IC 6-1.1-22-5 before
47 March 16 of the year following the assessment date (for property taxes
48 first due and payable before 2011) or April 1 of the year following the
49 assessment date (for property taxes first due and payable after 2010).
50 The amount to be billed for each installment of the provisional

1 statement is the amount determined under section 9 of this chapter.
 2 **The billing must be based on the latest assessed values for property**
 3 **certified by the department of local government finance, as**
 4 **adjusted under the procedures specified by the department of local**
 5 **government finance.**

6 (b) The county treasurer shall give notice of the provisional
 7 statement, including disclosure of the method that is to be used in
 8 determining the tax liability to be indicated on the provisional
 9 statement, by publication one (1) time:

10 (1) in the form prescribed by the department of local government
 11 finance; and

12 (2) in the manner described in IC 6-1.1-22-4(b).

13 The notice may be combined with the notice required under section 10
 14 of this chapter.

15 (c) Subsection (a) applies regardless of whether the county auditor
 16 fails to deliver the abstract as provided in IC 6-1.1-22-5(b). Section 7
 17 of this chapter does not apply to this section.

18 (d) This subsection applies after June 30, 2009. Immediately upon
 19 determining to use provisional statements under subsection (a), the
 20 county treasurer shall give notice of the determination to the county
 21 fiscal body (as defined in IC 36-1-2-6).

22 (e) In a county in which an authorizing ordinance is adopted under
 23 IC 6-1.1-22-8.1(h), a person may direct the county treasurer to transmit
 24 a provisional statement by electronic mail under IC 6-1.1-22-8.1(h).

25 (f) The department of local government finance may waive the
 26 requirement under subsection (a) that a provisional statement must be
 27 used for property taxes first due and payable in a calendar year, if:

28 (1) the county fiscal body or the county treasurer requests the
 29 waiver; and

30 (2) the department of local government finance determines that:

31 (A) the county will be able to send a property tax statement
 32 under IC 6-1.1-22 with a due date that is not later than June 10
 33 of that calendar year; or

34 (B) the failure to send a property tax statement under
 35 IC 6-1.1-22 in a timely manner is due to a change by the
 36 county in computer software, and the county will be able to
 37 send a property tax statement under IC 6-1.1-22 with a due
 38 date that is not later than June 10 of that calendar year.

39 SECTION 40. IC 6-1.1-22.5-20, AS AMENDED BY
 40 P.L.182-2009(ss), SECTION 164, IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. For purposes
 42 of a provisional statement under section 6 of this chapter, the
 43 department of local government finance may adopt emergency rules
 44 under IC 4-22-2-37.1 to **do any of the following:**

45 (1) Provide a methodology for a county treasurer to issue
 46 provisional statements with respect to real property, taking into
 47 account new construction of improvements placed on the real
 48 property, damage, and other losses related to the real property:

49 (†) (A) after March 1 of the year preceding the assessment
 50 date to which the provisional statement applies; and

1 (2) (B) before the assessment date to which the provisional
2 statement applies.

3 **(2) Carry out IC 6-1.1-22.6.**

4 SECTION 41. IC 6-1.1-22.6 IS ADDED TO THE INDIANA CODE
5 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
6 UPON PASSAGE]:

7 **Chapter 22.6. Resolution of Multi-Year Delay in Issuance of Tax**
8 **Bills**

9 **Sec. 1. As used in this chapter, "covered county" refers to a**
10 **county that is subject to this chapter.**

11 **Sec. 2. As used in this chapter, "delayed property taxes" refers**
12 **to the following:**

13 **(1) Property taxes imposed for a year preceding the year in**
14 **which the county qualifies as a covered county, if the covered**
15 **county issued a reconciliation statement for the year in which**
16 **the county qualifies as a covered county.**

17 **(2) Property taxes for which a covered county is behind in**
18 **issuing property tax bills on February 1 in the year that the**
19 **county qualifies as a covered county.**

20 **(3) Property taxes imposed for an assessment date that occurs**
21 **before the county ceases to be a covered county under section**
22 **15 of this chapter.**

23 **Sec. 3. As used in this chapter, "eligible taxing unit" refers to**
24 **the following:**

25 **(1) A city.**

26 **(2) A town.**

27 **(3) A school corporation.**

28 **(4) A library district.**

29 **Sec. 4. As used in this chapter, "executive" has the meaning set**
30 **forth in IC 36-1-2-5.**

31 **Sec. 5. As used in this chapter, "department" refers to the**
32 **department of local government finance.**

33 **Sec. 6. As used in this chapter, "property tax bill" refers to:**

34 **(1) a property tax statement required by IC 6-1.1-22-8.1; or**

35 **(2) a reconciling statement;**

36 **that conforms to law.**

37 **Sec. 7. As used in this chapter, "property taxes" has the**
38 **meaning set forth in IC 6-1.1-22.5-3.**

39 **Sec. 8. As used in this chapter, "provisional statement" has the**
40 **meaning set forth in IC 6-1.1-22.5-2.**

41 **Sec. 9. As used in this chapter, "reconciling statement" has the**
42 **meaning set forth in IC 6-1.1-22.5-4.**

43 **Sec. 10. As used in this chapter, "settlement date" refers to a**
44 **settlement date specified in IC 6-1.1-27-1.**

45 **Sec. 11. As used in this chapter, "special master" refers to an**
46 **individual or entity employed under this chapter to carry out**
47 **substantially all of the duties of the county auditor, county**
48 **treasurer, or county assessor, or any combination of these offices,**
49 **necessary to issue property tax bills in each year that the county is**
50 **a covered county, including the year in which the county ceases to**
51 **be a covered county.**

1 **Sec. 12.** As used in this chapter, "tax anticipation warrant or
 2 **obligation"** refers to a loan or other evidence of indebtedness
 3 **issued by a taxing unit in anticipation of the collection of delayed**
 4 **property taxes due to the taxing unit, including evidences of**
 5 **indebtedness with a term of more than one (1) year and debt**
 6 **refunding loans or other evidences of indebtedness issued by a**
 7 **taxing unit in anticipation of the collection of delayed property**
 8 **taxes due to the taxing unit.**

9 **Sec. 13.** A county becomes subject to this chapter if, in a year
 10 **after December 31, 2011, the county is at least three (3) years**
 11 **behind in issuing property tax bills on February 1 of that year.**

12 **Sec. 14.** The general assembly finds that LaPorte County
 13 **qualified as a county subject to this chapter on February 1, 2012.**

14 **Sec. 15.** Subject to section 16 of this chapter, a county ceases to
 15 **be subject to this chapter in the year after the county:**

16 **(1) ceases to be behind in issuing property tax bills for all**
 17 **previous years; and**

18 **(2) issues a property tax bill for property taxes due that would**
 19 **ordinarily be due in the current year before April 26 of the**
 20 **current year.**

21 **Sec. 16.** The termination of a county's status as a covered county
 22 **does not relieve the county from making the payments required**
 23 **under section 18 of this chapter.**

24 **Sec. 17. (a)** The county treasurer of a covered county shall
 25 **accept payment of property taxes and special assessments made by**
 26 **debit card, bank card, credit card, or electronic transfer.**

27 **(b)** The county treasurer of a covered county, or another
 28 **appropriate official of the covered county, shall contract with a**
 29 **debit card, bank card, credit card, or electronic transfer vendor for**
 30 **acceptance of debit cards, bank cards, credit cards, or electronic**
 31 **transfers for the receipt of tax collections for delayed property**
 32 **taxes. However, if there is a vendor transaction charge, discount**
 33 **fee, or other charge, whether billed to the covered county or**
 34 **charged directly to an account of the covered county, the covered**
 35 **county or the card or electronic payment service vendor may**
 36 **collect a fee from any person using the bank or credit card. The fee**
 37 **is a permitted additional charge under IC 24-4.5-3-202.**

38 **(c)** This section shall not be construed as limiting the authority
 39 **of a county to accept payment by debit card, bank card, credit**
 40 **card, or electronic transfer.**

41 **Sec. 18. (a)** Subject to subsection (b), a covered county shall set
 42 **aside in a separate fund on the schedule specified by the**
 43 **department from the funds specified by the department, one**
 44 **million dollars (\$1,000,000) for each consecutive year that the**
 45 **county experienced delayed property taxes described in section**
 46 **2(1) or 2(2) of this chapter before the year in which the county**
 47 **qualifies as a covered county. The Indiana bond bank shall**
 48 **establish the schedule on which the covered county must set aside**
 49 **money under this section.**

50 **(b)** The amount that must be set aside under subsection (a) for
 51 **a particular year that the county experienced delayed property**

- 1 taxes is reduced:
- 2 (1) to zero (0), if all reconciliation statements for the delayed
- 3 property taxes covered by subsection (a) and not previously
- 4 billed are mailed or otherwise transmitted to taxpayers before
- 5 January 31 of the year immediately following the year that
- 6 the county becomes a covered county; and
- 7 (2) by seventy-five percent (75%), if all reconciliation
- 8 statements for delayed property taxes covered by subsection
- 9 (a) and not previously billed are mailed or otherwise
- 10 transmitted to taxpayers before March 1 of the year
- 11 immediately following the year that the county becomes a
- 12 covered county.
- 13 (c) The amount set aside under this section for a particular year
- 14 in which eligible taxing units experienced delayed property taxes
- 15 shall be used to compensate eligible taxing units for:
- 16 (1) interest and other costs incurred by an eligible taxing unit
- 17 for issuing anticipation warrants or other obligations to fund
- 18 the eligible taxing unit's operating and capital requirements
- 19 during a period in which the eligible taxing unit experienced
- 20 delayed property tax collections; and
- 21 (2) interest, at the adjusted rate for the period determined
- 22 under IC 6-8.1-10-1, on the amount of the delayed property
- 23 taxes not received by the eligible taxing unit, if the eligible
- 24 taxing unit self-funded its operating and capital requirements
- 25 during a period in which the eligible taxing unit experienced
- 26 delayed property tax collections rather than issue anticipation
- 27 warrants or other obligations.
- 28 (d) The Indiana bond bank or a person or entity designated by
- 29 the Indiana bond bank shall establish a procedure for determining
- 30 the amount that is to be distributed to each eligible taxing unit
- 31 under this section. The procedure must include at least one (1)
- 32 public hearing in the covered county.
- 33 (e) The county auditor of a covered county shall distribute the
- 34 amount set aside under this section for a particular year among
- 35 eligible taxing units according to a formula or amount prescribed
- 36 by the Indiana bond bank or the person or entity designated by the
- 37 Indiana bond bank.
- 38 (f) The amount due to an eligible taxing unit under this section
- 39 to compensate the eligible taxing unit for delayed property tax
- 40 collections in a particular year shall be distributed in eight (8)
- 41 equal installments. Each installment shall be paid on a consecutive
- 42 settlement date following the date the Indiana bond bank or the
- 43 person or entity designated by the Indiana bond bank determines
- 44 the amount to be distributed to the eligible taxing unit.
- 45 (g) Any amount set aside under this section that exceeds the
- 46 amount that the Indiana bond bank or a person or entity
- 47 designated by the Indiana bond bank requires the covered county
- 48 to distribute to eligible taxing units shall be transferred back to the
- 49 funds from which the money was set aside in accordance with the
- 50 directions of the Indiana bond bank or a person or entity
- 51 designated by the Indiana bond bank.

1 (h) An eligible taxing unit, the county auditor and county
 2 treasurer of a covered county, and any special master appointed
 3 under this chapter shall provide the Indiana bond bank or a person
 4 or entity designated by the Indiana bond bank with the
 5 information required by the Indiana bond bank or a person or
 6 entity designated by the Indiana bond bank to carry out this
 7 section.

8 (i) An amount set aside under this section for distribution to
 9 eligible taxing units reduces the amount available to the county
 10 governmental unit for other expenditures. The county
 11 governmental unit may not impose an additional property tax levy
 12 to replace the lost revenue.

13 **Sec. 19.** An eligible taxing unit shall apply interest received
 14 under section 18 of this chapter:

15 (1) first, to pay or reimburse a fund for the payment of costs
 16 and interest incurred on tax anticipation warrants or
 17 obligations issued in anticipation of delayed property taxes;
 18 and

19 (2) thereafter, to obligations that would otherwise require the
 20 eligible taxing unit to impose a property tax to pay, as
 21 required by the Indiana bond bank or a person or entity
 22 designated by the Indiana bond bank.

23 **Sec. 20.** (a) Subject to the approval of the department, a county
 24 executive of a covered county may employ one (1) or more special
 25 masters and the number of deputy special masters needed by the
 26 special masters to carry out substantially all of the duties of:

- 27 (1) the county auditor;
 28 (2) the county treasurer; or
 29 (3) the county assessor;

30 or any combination of these offices, as is necessary to issue
 31 property tax bills in each year that the county is a covered county,
 32 including the year that the county ceases to be a covered county.

33 (b) The department may:

- 34 (1) as a condition of approving the contract, require that the
 35 department must be a party to the employment contract and
 36 any addendum to the employment contract;
 37 (2) specify the scope of a special master's duties; and
 38 (3) set standards for the selection and conduct of the special
 39 master.

40 However, to expedite the selection of a special master, the county
 41 executive may purchase the services of a special master and deputy
 42 special masters using any procedure permitted under IC 5-22-6-1.

43 (c) If the duties of the county auditor, the county treasurer, and
 44 the county assessor are assigned to one (1) or more special masters
 45 under this section, the assignment of duties shall be delegated
 46 among different individuals in such a manner as to maintain
 47 adequate accounting internal controls.

48 **Sec. 21.** No contract shall be made with any special master
 49 before the giving of notice and the receiving of bids from anyone
 50 desiring to furnish this service. Notice of the time and place for
 51 receiving bids for the contract shall be given by publication by one

1 (1) insertion in two (2) newspapers of general circulation published
 2 in the county and representing each of the two (2) leading political
 3 parties in the county. If only one (1) newspaper is published in the
 4 county, notice in that one (1) newspaper is sufficient to comply with
 5 the requirements of this section. The contract shall be awarded to
 6 the lowest and best bidder who meets all requirements under law
 7 and all standards specified by the department for entering a
 8 contract to serve as special master. However, any and all bids may
 9 be rejected, and new bids may be asked.

10 Sec. 22. (a) The county fiscal body of a covered county shall
 11 appropriate the funds needed to meet the obligations created by a
 12 special master's contract.

13 (b) The county executive of a covered county shall provide the
 14 space and all necessary supplies needed to meet the obligations
 15 created by a special master's contract.

16 Sec. 23. A special master has the powers of a county auditor
 17 within the scope of the special master's duties, including the power
 18 to employ deputy special masters and terminate employment.

19 Sec. 24. The county auditor, the county treasurer, the county
 20 assessor, and all other officials and employees of a covered county
 21 shall provide assistance to a special master, as requested by the
 22 special master or the special master's deputies.

23 Sec. 25. The county council of a covered county may grant a tax
 24 credit not exceeding two percent (2%) of delayed property taxes
 25 due on a reconciliation statement on any amount of delayed
 26 property taxes paid within thirty (30) regular business days after
 27 the county treasurer mails or otherwise transmits the property tax
 28 bill for the delayed property taxes to the taxpayer or other person
 29 authorized to receive the property tax bill. The amount of the
 30 credit reduces the amount to be distributed to each taxing unit that
 31 imposed the delayed property taxes in proportion to the amount
 32 due to each taxing unit. A taxing unit shall allocate the amount of
 33 the lost revenue to every fund in proportion to the delayed
 34 property taxes due from the property tax bill, other than a debt
 35 service fund.

36 Sec. 26. (a) The department may prescribe forms, adopt
 37 emergency rules under IC 6-1.1-22.5-20, issue administrative
 38 orders, set deadlines and other timetables for required activities,
 39 and issue interpretive bulletins to carry out this chapter, including
 40 rules, orders, and bulletins related to the scope of the duties to be
 41 performed by a special master under this chapter.

42 (b) Notwithstanding any other law, the department shall require
 43 that:

44 (1) trending and other adjustments to the assessed value of
 45 real property under IC 6-1.1-4-4.5 be applied separately to
 46 each assessment date subject to this chapter with the resulting
 47 assessments rolled over to be used as the valuation that is
 48 adjusted for the following assessment date;

49 (2) the information required to be submitted to the
 50 department or the legislative services agency, or both, under
 51 IC 6-1.1-4-18.5, IC 6-1.1-4-19.5, IC 6-1.1-4-25, IC 6-1.1-5.5-3,

1 IC 6-1.1-11-8, IC 6-1.1-31.5-3.5, IC 6-1.1-33.5-3, or
 2 IC 36-2-9-20 be submitted separately for each assessment date
 3 subject to this chapter not later than sixty (60) days after the
 4 information becomes available to the local official possessing
 5 the information;

6 (3) a homestead eligible for a standard deduction under
 7 IC 6-1.1-12-37 on which payments on a reconciliation
 8 statement subject to this section are delinquent, including an
 9 installment payment under IC 6-1.1-22.5-18.5, may not be
 10 placed on a list for tax sale for at least twelve (12) months
 11 after the payment, including an installment payment under
 12 IC 6-1.1-22.5-18.5, is otherwise due;

13 (4) the period in which property eligible for a deduction or
 14 credit provided by law for an assessment date for which
 15 delayed property taxes are imposed is extended to the later of
 16 July 1 in the year in which the county becomes a covered
 17 county or a date that is forty-five (45) days after the
 18 reconciliation statement for those taxes is mailed or otherwise
 19 transmitted under IC 6-1.1-22.5-12, and that the current
 20 owner of the property may file the application for the
 21 deduction or credit;

22 (5) the current owner of property may file a petition under
 23 IC 6-1.1-15 for an assessment date for which delayed property
 24 taxes are due and payable under a reconciliation statement
 25 issued by a covered county as provided in this chapter; and
 26 (6) the fiscal body of a covered county shall establish an
 27 installment payment plan in accordance with
 28 IC 6-1.1-22.5-18.5 under which taxpayers are required to pay
 29 delayed property taxes either:

30 (A) by paying the delayed property taxes over an
 31 installment period (of at least six (6) months) determined
 32 by the county fiscal body; or

33 (B) by making a single payment of the delayed property
 34 taxes after the end of a period (of at least six (6) months)
 35 determined by the county fiscal body;

36 as specified by ordinance of the county fiscal body. The fiscal
 37 body of a covered county may adopt an ordinance under
 38 IC 6-1.1-22.5-18.5 extending the installment period or the due
 39 date of the single payment.

40 Reconciliation statements issued by a covered county after March
 41 15, 2012, must include a statement in at least 10-point bold type
 42 that explains a taxpayer's rights under subdivision (4) to file a
 43 deduction or credit application. Any overpayment of delayed
 44 property taxes that result after the application of a deduction or
 45 credit granted after the payment of the delayed property taxes
 46 shall be first applied without the filing of a claim under
 47 IC 6-1.1-26. The county treasurer shall apply the excess payment
 48 first to any delinquent property taxes owed by the taxpayer who
 49 owned the property in the year to which the credit or deduction
 50 applies, and, second, as a credit against property taxes for the
 51 affected property that become first due and payable after the

1 **excess payment is determined.**

2 **(c) Subject to the requirements of this chapter, the department**
 3 **may set schedules and take other actions necessary or appropriate**
 4 **to provide for the earliest possible issuance of property tax bills for**
 5 **the collection of delayed property taxes and a return to a normal**
 6 **collection cycle for property taxes in covered counties.**

7 **Sec. 27. This chapter expires December 31, 2016.**

8 SECTION 42. IC 6-1.1-28-8 IS AMENDED TO READ AS
 9 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 8. (a) The county
 10 property tax assessment board shall remain in session until the board's
 11 duties are complete.

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

17 (c) The department of local government finance may also call a
 18 session of the county property tax assessment board after completion
 19 of a general reassessment of real property **under IC 6-1.1-4-4 or a**
 20 **reassessment under a reassessment plan prepared under**
 21 **IC 6-1.1-4-4.2.** The department of local government finance shall fix
 22 the time for and duration of the session.

23 SECTION 43. IC 6-1.1-30-17, AS ADDED BY P.L.146-2008,
 24 SECTION 268, IS AMENDED TO READ AS FOLLOWS
 25 [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) Except as provided in
 26 subsection (c) and subject to subsection (d), the department of state
 27 revenue and the auditor of state shall, when requested by the
 28 department of local government finance, withhold a percentage of the
 29 distributions of county adjusted gross income tax distributions under
 30 IC 6-3.5-1.1, county option income tax distributions under IC 6-3.5-6,
 31 or county economic development income tax distributions under
 32 IC 6-3.5-7 that would otherwise be distributed to the county under the
 33 schedules in IC 6-3.5-1.1-10, IC 6-3.5-1.1-21.1, IC 6-3.5-6-17,
 34 IC 6-3.5-6-17.3, IC 6-3.5-7-16, and IC 6-3.5-7-17.3, if:

- 35 (1) local assessing officials have not provided information to the
- 36 department of local government finance in a timely manner under
- 37 IC 4-10-13-5(b);
- 38 (2) the county assessor has not transmitted to the department of
- 39 local government finance by October 1 of the year in which the
- 40 distribution is scheduled to be made the data for all townships in
- 41 the county required to be transmitted under IC 6-1.1-4-25;
- 42 (3) the county auditor has not paid a bill for services under
- 43 IC 6-1.1-4-31.5 to the department of local government finance in
- 44 a timely manner;
- 45 (4) the county assessor has not forwarded to the department of
- 46 local government finance in a timely manner sales disclosure
- 47 form data under IC 6-1.1-5.5-3;
- 48 (5) the county auditor has not forwarded to the department of
- 49 local government finance the duplicate copies of all approved
- 50 exemption applications required to be forwarded by that date
- 51 under IC 6-1.1-11-8(a);

- 1 (6) by the date the distribution is scheduled to be made, the
 2 county auditor has not sent a certified statement required to be
 3 sent by that date under IC 6-1.1-17-1 to the department of local
 4 government finance;
 5 (7) the county does not maintain a certified computer system that
 6 meets the requirements of IC 6-1.1-31.5-3.5;
 7 (8) the county auditor has not transmitted the data described in
 8 IC 36-2-9-20 to the department of local government finance in the
 9 form and on the schedule specified by IC 36-2-9-20;
 10 (9) the county has not established a parcel index numbering
 11 system under 50 IAC 23-8-1 in a timely manner; ~~or~~
 12 (10) a county official has not provided other information to the
 13 department of local government finance in a timely manner as
 14 required by the department of local government finance; ~~or~~
 15 **(11) the department of local government finance incurs**
 16 **additional costs to assist a covered county (as defined in**
 17 **IC 6-1.1-22.6-1) to issue tax statements within the time frame**
 18 **specified in IC 6-1.1-22.6-18(b) for each year that the county**
 19 **experienced delayed property taxes (as defined in**
 20 **IC 6-1.1-22.6-2) before the year in which the county qualifies**
 21 **as a covered county.**

22 The percentage to be withheld is the percentage determined by the
 23 department of local government finance. **However, the percentage**
 24 **withheld for a reason stated in subdivision (11) may not exceed the**
 25 **percentage needed to reimburse the department of local**
 26 **government finance for the costs incurred by the department of**
 27 **local government finance to take the actions necessary to permit a**
 28 **covered county (as defined in IC 6-1.1-22.6-1) to issue reconciling**
 29 **tax statements for prior year delayed property taxes (as defined in**
 30 **IC 6-1.1-22.6-2) within the time frame specified in**
 31 **IC 6-1.1-22.6-18(b). The county governmental taxing unit of a**
 32 **covered county (as defined in IC 6-1.1-22.6-1) shall reimburse the**
 33 **department of local government finance for these expenses. The**
 34 **amount withheld under subdivision (11) reduces only the amount**
 35 **that would otherwise be distributed to the county governmental**
 36 **taxing unit of a covered county (as defined in IC 6-1.1-22.6-1) and**
 37 **not money distributable to any other political subdivision. The**
 38 **withholding of an amount under subdivision (11) does not relieve**
 39 **the county government of a covered county (as defined in**
 40 **IC 6-1.1-22.6-1) from making bond or lease payments that would**
 41 **otherwise be paid from withheld amounts or providing property**
 42 **tax credits that would otherwise be provided under IC 6-3.5 from**
 43 **withheld amounts. Subdivision (11) does not apply to any county**
 44 **other than a covered county (as defined in IC 6-1.1-22.6-1).**

45 (b) Except as provided in subsection (e), money not distributed for
 46 the reasons stated in subsection (a) shall be distributed to the county
 47 when the department of local government finance determines that the
 48 failure to:

- 49 (1) provide information; or
 50 (2) pay a bill for services;
 51 has been corrected.

1 (c) The restrictions on distributions under subsection (a) do not
 2 apply if the department of local government finance determines that the
 3 failure to:

- 4 (1) provide information; or
 5 (2) pay a bill for services;

6 in a timely manner is justified by unusual circumstances.

7 (d) The department of local government finance shall give the
 8 county auditor at least thirty (30) days notice in writing before the
 9 department of state revenue or the auditor of state withholds a
 10 distribution under subsection (a).

11 (e) Money not distributed for the reason stated in subsection (a)(3)
 12 may be deposited in the fund established by IC 6-1.1-5.5-4.7(a). Money
 13 deposited under this subsection is not subject to distribution under
 14 subsection (b).

15 (f) This subsection applies to a county that will not receive a
 16 distribution under IC 6-3.5-1.1, IC 6-3.5-6, or IC 6-3.5-7. At the request
 17 of the department of local government finance, an amount permitted to
 18 be withheld under subsection (a) may be withheld from any state
 19 revenues that would otherwise be distributed to the county or one (1)
 20 or more taxing units in the county.

21 SECTION 44. IC 6-1.1-31-9 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 9. (a) Except as
 23 provided in subsection (b), the department of local government finance
 24 may not adopt rules for the appraisal of real property:

- 25 (1) in a general reassessment **under IC 6-1.1-4-4; or**
 26 (2) **in a reassessment under a county's reassessment plan**
 27 **prepared under IC 6-1.1-4-4.2;**

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

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

38 SECTION 45. IC 6-1.1-33.5-6 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JANUARY 1, 2013]: Sec. 6. (a) With
 40 respect to any township or county for any year, the department of local
 41 government finance may initiate a review to determine whether to order
 42 a special reassessment under this chapter. The review may apply to real
 43 property or personal property, or both.

44 (b) If the department of local government finance determines under
 45 subsection (a) ~~of this chapter~~ to initiate a review with respect to the real
 46 property **subject to reassessment under IC 6-1.1-4-4** within a
 47 township or county, or a portion of the real property within a township
 48 or county, the division of data analysis of the department shall
 49 determine for the real property under consideration and for the
 50 township or county the variance between:

- 1 (1) the total assessed valuation of the real property within the
 2 township or county; and
 3 (2) the total assessed valuation that would result if the real
 4 property within the township or county were valued in the manner
 5 provided by law.
- 6 **(c) If the department of local government finance determines**
 7 **under subsection (a) to initiate a review with respect to the real**
 8 **property within a particular cycle under a county's reassessment**
 9 **plan prepared under IC 6-1.1-4-4.2 or a part of the real property**
 10 **within a cycle, the division of data analysis of the department shall**
 11 **determine for the real property under consideration and for all**
 12 **groups of parcels within a particular cycle the variance between:**
 13 **(1) the total assessed valuation of the real property within all**
 14 **groups of parcels within a particular cycle; and**
 15 **(2) the total assessed valuation that would result if the real**
 16 **property within all groups of parcels within a particular cycle**
 17 **were valued in the manner provided by law.**
- 18 ~~(c)~~ **(d)** If the department of local government finance determines
 19 under subsection (a) ~~of this chapter~~ to initiate a review with respect to
 20 personal property within a township or county, or a part of the personal
 21 property within a township or county, the division of data analysis of
 22 the department shall determine for the personal property under
 23 consideration and for the township or county the variance between:
 24 (1) the total assessed valuation of the personal property within the
 25 township or county; and
 26 (2) the total assessed valuation that would result if the personal
 27 property within the township or county were valued in the manner
 28 provided by law.
- 29 ~~(d)~~ **(e)** The determination of the department of local government
 30 finance under section 2 or 3 of this chapter must be based on a
 31 statistically valid assessment ratio study.
- 32 ~~(e)~~ **(f)** If a determination of the department of local government
 33 finance to order a special reassessment under this chapter is based on
 34 a coefficient of dispersion study, the department shall publish the
 35 coefficient of dispersion study for the township or county in accordance
 36 with IC 5-3-1-2(j).
- 37 ~~(f)~~ **(g)** If:
 38 (1) the variance determined under subsection (b), ~~or~~ (c), **or** (d)
 39 exceeds twenty percent (20%); and
 40 (2) the department of local government finance determines after
 41 holding hearings on the matter that a special reassessment should
 42 be conducted;
 43 the department shall contract for a special reassessment to be
 44 conducted to correct the valuation of the property.
- 45 ~~(g)~~ **(h)** If the variance determined under subsection (b), ~~or~~ (c), **or** (d)
 46 is twenty percent (20%) or less, the department of local government
 47 finance shall determine whether to correct the valuation of the property
 48 under:
 49 (1) IC 6-1.1-4-9 and IC 6-1.1-4-10; or
 50 (2) IC 6-1.1-14.

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

9 (1) the time of the hearing;

10 (2) the location of the hearing; and

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

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

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

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

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

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

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

29 SECTION 46. IC 6-1.1-34-1, AS AMENDED BY P.L.182-2009(ss),
 30 SECTION 170, IS AMENDED TO READ AS FOLLOWS
 31 [EFFECTIVE JANUARY 1, 2013]: Sec. 1. In the year after:

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

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

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

46 SECTION 47. IC 6-1.1-34-7, AS AMENDED BY P.L.182-2009(ss),
 47 SECTION 171, IS AMENDED TO READ AS FOLLOWS
 48 [EFFECTIVE JANUARY 1, 2013]: Sec. 7. (a) Each year in which the
 49 department of local government finance computes a new assessment
 50 ratio for a school corporation, the department shall also compute a new

1 adjustment factor for the school corporation. If the school corporation's
 2 assessment ratio for a year is more than ninety-nine percent (99%) but
 3 less than one hundred one percent (101%) of the state average
 4 assessment ratio for that year, the school corporation's adjustment
 5 factor is the number one (1). In all other cases, the school corporation's
 6 adjustment factor equals:

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

9 The department of local government finance shall notify the school
 10 corporation of its new adjustment factor before March 2 of the year in
 11 which the department calculates the new adjustment factor.

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

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

16 If the department of local government finance has not computed a new
 17 assessment ratio for a school corporation, the school corporation's
 18 adjustment factor is the number one (1) until the department of local
 19 government finance notifies the school corporation of the school
 20 corporation's new adjustment factor.

21 SECTION 48. IC 6-1.1-39-5, AS AMENDED BY P.L.146-2008,
 22 SECTION 296, IS AMENDED TO READ AS FOLLOWS
 23 [EFFECTIVE JANUARY 1, 2013]: Sec. 5. (a) A declaratory ordinance
 24 adopted under section 2 of this chapter and confirmed under section 3
 25 of this chapter must include a provision with respect to the allocation
 26 and distribution of property taxes for the purposes and in the manner
 27 provided in this section. The allocation provision must apply to the
 28 entire economic development district. The allocation provisions must
 29 require that any property taxes subsequently levied by or for the benefit
 30 of any public body entitled to a distribution of property taxes on taxable
 31 property in the economic development district be allocated and
 32 distributed as follows:

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

- 35 (A) the assessed value of the property for the assessment date
 36 with respect to which the allocation and distribution is made;
- 37 or

38 (B) the base assessed value;

39 shall be allocated to and, when collected, paid into the funds of
 40 the respective taxing units. However, if the effective date of the
 41 allocation provision of a declaratory ordinance is after March 1,
 42 1985, and before January 1, 1986, and if an improvement to
 43 property was partially completed on March 1, 1985, the unit may
 44 provide in the declaratory ordinance that the taxes attributable to
 45 the assessed value of the property as finally determined for March
 46 1, 1984, shall be allocated to and, when collected, paid into the
 47 funds of the respective taxing units.

48 (2) Except as otherwise provided in this section, part or all of the
 49 property tax proceeds in excess of those described in subdivision

50 (1), as specified in the declaratory ordinance, shall be allocated to

1 the unit for the economic development district and, when
 2 collected, paid into a special fund established by the unit for that
 3 economic development district that may be used only to pay the
 4 principal of and interest on obligations owed by the unit under
 5 IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of
 6 industrial development programs in, or serving, that economic
 7 development district. The amount not paid into the special fund
 8 shall be paid to the respective units in the manner prescribed by
 9 subdivision (1).

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

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

22 (c) For the purpose of allocating taxes levied by or for any taxing
 23 unit or units, the assessed value of taxable property in a territory in the
 24 economic development district that is annexed by any taxing unit after
 25 the effective date of the allocation provision of the declaratory
 26 ordinance is the lesser of:

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

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

34 (e) Notwithstanding any other law, the assessed value of all taxable
 35 property in the economic development district, for purposes of tax
 36 limitation, property tax replacement, and formulation of the budget, tax
 37 rate, and tax levy for each political subdivision in which the property
 38 is located, is the lesser of:

- 39 (1) the assessed value of the property as valued without regard to
- 40 this section; or
- 41 (2) the base assessed value.

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

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

49 the department of local government finance shall adjust the base
 50 assessed value one (1) time to neutralize any effect of the ~~general~~

1 reassessment on the property tax proceeds allocated to the district
 2 under this section. After each annual adjustment under IC 6-1.1-4-4.5,
 3 the department of local government finance shall adjust the base
 4 assessed value to neutralize any effect of the annual adjustment on the
 5 property tax proceeds allocated to the district under this section.
 6 However, the adjustments under this subsection may not include the
 7 effect of property tax abatements under IC 6-1.1-12.1.

8 (g) As used in this section, "property taxes" means:

- 9 (1) taxes imposed under this article on real property; and
 10 (2) any part of the taxes imposed under this article on depreciable
 11 personal property that the unit has by ordinance allocated to the
 12 economic development district. However, the ordinance may not
 13 limit the allocation to taxes on depreciable personal property with
 14 any particular useful life or lives.

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

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

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

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

33 SECTION 49. IC 6-1.1-42-28, AS AMENDED BY P.L.219-2007,
 34 SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JANUARY 1, 2013]: Sec. 28. (a) Subject to this section and section 34
 36 of this chapter, the amount of the deduction which the property owner
 37 is entitled to receive under this chapter for a particular year equals the
 38 product of:

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

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

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

46 YEAR OF DEDUCTION	PERCENTAGE
47 1st	100%
48 2nd	66%
49 3rd	33%

- 50 (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%

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

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

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

(1) If a:

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

or

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

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

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

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

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

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

(B) has contributed;

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

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

SECTION 50. 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,

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

4 SECTION 51. IC 33-26-8-3, AS AMENDED BY P.L.1-2007,
 5 SECTION 214, IS AMENDED TO READ AS FOLLOWS
 6 [EFFECTIVE JANUARY 1, 2013]: Sec. 3. As used in this chapter,
 7 "qualifying official" refers to any of the following:

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

24 SECTION 52. IC 36-2-7-13, AS AMENDED BY P.L.146-2008,
 25 SECTION 691, IS AMENDED TO READ AS FOLLOWS
 26 [EFFECTIVE JANUARY 1, 2013]: Sec. 13. The county fiscal body
 27 may grant to the county assessor, in addition to the compensation fixed
 28 under IC 36-2-5, a per diem for each day that the assessor is engaged
 29 in ~~general~~ reassessment activities **under IC 6-1.1-4-4 or under a**
 30 **reassessment plan prepared under IC 6-1.1-4-4.2.** This section
 31 applies regardless of whether professional assessing services are
 32 provided under a contract to one (1) or more townships in the county.

33 SECTION 53. IC 36-6-8-5, AS AMENDED BY P.L.146-2008,
 34 SECTION 717, IS AMENDED TO READ AS FOLLOWS
 35 [EFFECTIVE JANUARY 1, 2013]: Sec. 5. (a) When performing the
 36 real property reassessment duties ~~prescribed by IC 6-1.1-4,~~ **under**
 37 **IC 6-1.1-4-4 or a county's reassessment plan prepared under**
 38 **IC 6-1.1-4-4.2,** a township assessor may receive per diem
 39 compensation, in addition to salary, at a rate fixed by the county fiscal
 40 body, for each day that the assessor is engaged in reassessment
 41 activities.

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

44 SECTION 54. IC 36-7-14-13 IS AMENDED TO READ AS
 45 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 13. (a) Within thirty
 46 (30) days after the close of each calendar year, the redevelopment
 47 commissioners shall file with the unit's executive a report setting out
 48 their activities during the preceding calendar year.

49 (b) The report of the commissioners of a municipal redevelopment
 50 commission must show the names of the then qualified and acting

1 commissioners, the names of the officers of that body, the number of
 2 regular employees and their fixed salaries or compensation, the amount
 3 of the expenditures made during the preceding year and their general
 4 purpose, **an accounting of the tax increment revenues expended by**
 5 **any entity receiving the tax increment revenues as a grant or loan**
 6 **from the commission**, the amount of funds on hand at the close of the
 7 calendar year, and other information necessary to disclose the activities
 8 of the commissioners and the results obtained.

9 (c) The report of the commissioners of a county redevelopment
 10 commission must show all the information required by subsection (b),
 11 plus the names of any commissioners appointed to or removed from
 12 office during the preceding calendar year.

13 **(d) A copy of each report filed under this section must be**
 14 **submitted to the department of local government finance in an**
 15 **electronic format under IC 5-14-6.**

16 SECTION 55. IC 36-7-14-39, AS AMENDED BY P.L.203-2011,
 17 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JANUARY 1, 2013]: Sec. 39. (a) As used in this section:

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

23 "Base assessed value" means the following:

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

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

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

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

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

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

48 (3) If:

49 (A) an allocation provision adopted before June 30, 1995, in
 50 a declaratory resolution or an amendment to a declaratory

1 resolution establishing a redevelopment project area expires
 2 after June 30, 1997; and
 3 (B) after June 30, 1997, a new allocation provision is included
 4 in an amendment to the declaratory resolution;
 5 the net assessed value of all the property as finally determined for
 6 the assessment date immediately preceding the effective date of
 7 the allocation provision adopted after June 30, 1997, as adjusted
 8 under subsection (h).
 9 (4) Except as provided in subdivision (5), for all other allocation
 10 areas, the net assessed value of all the property as finally
 11 determined for the assessment date immediately preceding the
 12 effective date of the allocation provision of the declaratory
 13 resolution, as adjusted under subsection (h).
 14 (5) If an allocation area established in an economic development
 15 area before July 1, 1995, is expanded after June 30, 1995, the
 16 definition in subdivision (1) applies to the expanded part of the
 17 area added after June 30, 1995.
 18 (6) If an allocation area established in a redevelopment project
 19 area before July 1, 1997, is expanded after June 30, 1997, the
 20 definition in subdivision (2) applies to the expanded part of the
 21 area added after June 30, 1997.
 22 Except as provided in section 39.3 of this chapter, "property taxes"
 23 means taxes imposed under IC 6-1.1 on real property. However, upon
 24 approval by a resolution of the redevelopment commission adopted
 25 before June 1, 1987, "property taxes" also includes taxes imposed
 26 under IC 6-1.1 on depreciable personal property. If a redevelopment
 27 commission adopted before June 1, 1987, a resolution to include within
 28 the definition of property taxes taxes imposed under IC 6-1.1 on
 29 depreciable personal property that has a useful life in excess of eight
 30 (8) years, the commission may by resolution determine the percentage
 31 of taxes imposed under IC 6-1.1 on all depreciable personal property
 32 that will be included within the definition of property taxes. However,
 33 the percentage included must not exceed twenty-five percent (25%) of
 34 the taxes imposed under IC 6-1.1 on all depreciable personal property.
 35 (b) A declaratory resolution adopted under section 15 of this chapter
 36 on or before the allocation deadline determined under subsection (i)
 37 may include a provision with respect to the allocation and distribution
 38 of property taxes for the purposes and in the manner provided in this
 39 section. A declaratory resolution previously adopted may include an
 40 allocation provision by the amendment of that declaratory resolution on
 41 or before the allocation deadline determined under subsection (i) in
 42 accordance with the procedures required for its original adoption. A
 43 declaratory resolution or an amendment that establishes an allocation
 44 provision after June 30, 1995, must specify an expiration date for the
 45 allocation provision. For an allocation area established before July 1,
 46 2008, the expiration date may not be more than thirty (30) years after
 47 the date on which the allocation provision is established. For an
 48 allocation area established after June 30, 2008, the expiration date may
 49 not be more than twenty-five (25) years after the date on which the first
 50 obligation was incurred to pay principal and interest on bonds or lease

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

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

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

17 or

18 (B) the base assessed value;

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

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

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

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

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

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

45 (D) Pay the principal of and interest on bonds issued by the
46 unit to pay for local public improvements that are physically
47 located in or physically connected to that allocation area.

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

- 1 (F) Make payments on leases payable from allocated tax
 2 proceeds in that allocation area under section 25.2 of this
 3 chapter.
- 4 (G) Reimburse the unit for expenditures made by it for local
 5 public improvements (which include buildings, parking
 6 facilities, and other items described in section 25.1(a) of this
 7 chapter) that are physically located in or physically connected
 8 to that allocation area.
- 9 (H) Reimburse the unit for rentals paid by it for a building or
 10 parking facility that is physically located in or physically
 11 connected to that allocation area under any lease entered into
 12 under IC 36-1-10.
- 13 (I) For property taxes first due and payable before January 1,
 14 2009, pay all or a part of a property tax replacement credit to
 15 taxpayers in an allocation area as determined by the
 16 redevelopment commission. This credit equals the amount
 17 determined under the following STEPS for each taxpayer in a
 18 taxing district (as defined in IC 6-1.1-1-20) that contains all or
 19 part of the allocation area:
- 20 STEP ONE: Determine that part of the sum of the amounts
 21 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
 22 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
 23 IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to
 24 the taxing district.
- 25 STEP TWO: Divide:
- 26 (i) that part of each county's eligible property tax
 27 replacement amount (as defined in IC 6-1.1-21-2 (before its
 28 repeal)) for that year as determined under IC 6-1.1-21-4
 29 (before its repeal) that is attributable to the taxing district;
 30 by
- 31 (ii) the STEP ONE sum.
- 32 STEP THREE: Multiply:
- 33 (i) the STEP TWO quotient; times
- 34 (ii) the total amount of the taxpayer's taxes (as defined in
 35 IC 6-1.1-21-2 (before its repeal)) levied in the taxing district
 36 that have been allocated during that year to an allocation
 37 fund under this section.
- 38 If not all the taxpayers in an allocation area receive the credit
 39 in full, each taxpayer in the allocation area is entitled to
 40 receive the same proportion of the credit. A taxpayer may not
 41 receive a credit under this section and a credit under section
 42 39.5 of this chapter (before its repeal) in the same year.
- 43 (J) Pay expenses incurred by the redevelopment commission
 44 for local public improvements that are in the allocation area or
 45 serving the allocation area. Public improvements include
 46 buildings, parking facilities, and other items described in
 47 section 25.1(a) of this chapter.
- 48 (K) Reimburse public and private entities for expenses
 49 incurred in training employees of industrial facilities that are
 50 located:

- 1 (i) in the allocation area; and
 2 (ii) on a parcel of real property that has been classified as
 3 industrial property under the rules of the department of local
 4 government finance.
- 5 However, the total amount of money spent for this purpose in
 6 any year may not exceed the total amount of money in the
 7 allocation fund that is attributable to property taxes paid by the
 8 industrial facilities described in this clause. The
 9 reimbursements under this clause must be made within three
 10 (3) years after the date on which the investments that are the
 11 basis for the increment financing are made.
- 12 (L) Pay the costs of carrying out an eligible efficiency project
 13 (as defined in IC 36-9-41-1.5) within the unit that established
 14 the redevelopment commission. However, property tax
 15 proceeds may be used under this clause to pay the costs of
 16 carrying out an eligible efficiency project only if those
 17 property tax proceeds exceed the amount necessary to do the
 18 following:
- 19 (i) Make, when due, any payments required under clauses
 20 (A) through (K), including any payments of principal and
 21 interest on bonds and other obligations payable under this
 22 subdivision, any payments of premiums under this
 23 subdivision on the redemption before maturity of bonds, and
 24 any payments on leases payable under this subdivision.
- 25 (ii) Make any reimbursements required under this
 26 subdivision.
- 27 (iii) Pay any expenses required under this subdivision.
- 28 (iv) Establish, augment, or restore any debt service reserve
 29 under this subdivision.
- 30 The allocation fund may not be used for operating expenses of the
 31 commission.
- 32 (4) Except as provided in subsection (g), before July 15 of each
 33 year, the commission shall do the following:
- 34 (A) Determine the amount, if any, by which the assessed value
 35 of the taxable property in the allocation area for the most
 36 recent assessment date minus the base assessed value, when
 37 multiplied by the estimated tax rate of the allocation area, will
 38 exceed the amount of assessed value needed to produce the
 39 property taxes necessary to make, when due, principal and
 40 interest payments on bonds described in subdivision (3), plus
 41 the amount necessary for other purposes described in
 42 subdivision (3).
- 43 (B) Provide a written notice to the county auditor, the fiscal
 44 body of the county or municipality that established the
 45 department of redevelopment, and the officers who are
 46 authorized to fix budgets, tax rates, and tax levies under
 47 IC 6-1.1-17-5 for each of the other taxing units that is wholly
 48 or partly located within the allocation area. The notice must:
- 49 (i) state the amount, if any, of excess assessed value that the
 50 commission has determined may be allocated to the

- 1 respective taxing units in the manner prescribed in
 2 subdivision (1); or
 3 (ii) state that the commission has determined that there is no
 4 excess assessed value that may be allocated to the respective
 5 taxing units in the manner prescribed in subdivision (1).
 6 The county auditor shall allocate to the respective taxing units
 7 the amount, if any, of excess assessed value determined by the
 8 commission. The commission may not authorize an allocation
 9 of assessed value to the respective taxing units under this
 10 subdivision if to do so would endanger the interests of the
 11 holders of bonds described in subdivision (3) or lessors under
 12 section 25.3 of this chapter.
- 13 (c) For the purpose of allocating taxes levied by or for any taxing
 14 unit or units, the assessed value of taxable property in a territory in the
 15 allocation area that is annexed by any taxing unit after the effective
 16 date of the allocation provision of the declaratory resolution is the
 17 lesser of:
 18 (1) the assessed value of the property for the assessment date with
 19 respect to which the allocation and distribution is made; or
 20 (2) the base assessed value.
- 21 (d) Property tax proceeds allocable to the redevelopment district
 22 under subsection (b)(3) may, subject to subsection (b)(4), be
 23 irrevocably pledged by the redevelopment district for payment as set
 24 forth in subsection (b)(3).
- 25 (e) Notwithstanding any other law, each assessor shall, upon
 26 petition of the redevelopment commission, reassess the taxable
 27 property situated upon or in, or added to, the allocation area, effective
 28 on the next assessment date after the petition.
- 29 (f) Notwithstanding any other law, the assessed value of all taxable
 30 property in the allocation area, for purposes of tax limitation, property
 31 tax replacement, and formulation of the budget, tax rate, and tax levy
 32 for each political subdivision in which the property is located is the
 33 lesser of:
 34 (1) the assessed value of the property as valued without regard to
 35 this section; or
 36 (2) the base assessed value.
- 37 (g) If any part of the allocation area is located in an enterprise zone
 38 created under IC 5-28-15, the unit that designated the allocation area
 39 shall create funds as specified in this subsection. A unit that has
 40 obligations, bonds, or leases payable from allocated tax proceeds under
 41 subsection (b)(3) shall establish an allocation fund for the purposes
 42 specified in subsection (b)(3) and a special zone fund. Such a unit
 43 shall, until the end of the enterprise zone phase out period, deposit each
 44 year in the special zone fund any amount in the allocation fund derived
 45 from property tax proceeds in excess of those described in subsection
 46 (b)(1) and (b)(2) from property located in the enterprise zone that
 47 exceeds the amount sufficient for the purposes specified in subsection
 48 (b)(3) for the year. The amount sufficient for purposes specified in
 49 subsection (b)(3) for the year shall be determined based on the pro rata
 50 portion of such current property tax proceeds from the part of the

1 enterprise zone that is within the allocation area as compared to all
 2 such current property tax proceeds derived from the allocation area. A
 3 unit that has no obligations, bonds, or leases payable from allocated tax
 4 proceeds under subsection (b)(3) shall establish a special zone fund
 5 and deposit all the property tax proceeds in excess of those described
 6 in subsection (b)(1) and (b)(2) in the fund derived from property tax
 7 proceeds in excess of those described in subsection (b)(1) and (b)(2)
 8 from property located in the enterprise zone. The unit that creates the
 9 special zone fund shall use the fund (based on the recommendations of
 10 the urban enterprise association) for programs in job training, job
 11 enrichment, and basic skill development that are designed to benefit
 12 residents and employers in the enterprise zone or other purposes
 13 specified in subsection (b)(3), except that where reference is made in
 14 subsection (b)(3) to allocation area it shall refer for purposes of
 15 payments from the special zone fund only to that part of the allocation
 16 area that is also located in the enterprise zone. Those programs shall
 17 reserve at least one-half (1/2) of their enrollment in any session for
 18 residents of the enterprise zone.

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

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

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

45 (2) Subject to subdivision (3), the initial allocation deadline and
 46 subsequent allocation deadlines are automatically extended in
 47 increments of five (5) years, so that allocation deadlines
 48 subsequent to the initial allocation deadline fall on December 31,
 49 2016, and December 31 of each fifth year thereafter.

50 (3) At least one (1) year before the date of an allocation deadline

1 determined under subdivision (2), the general assembly may enact
2 a law that:

3 (A) terminates the automatic extension of allocation deadlines
4 under subdivision (2); and

5 (B) specifically designates a particular date as the final
6 allocation deadline.

7 SECTION 56. IC 36-7-15.1-26, AS AMENDED BY P.L.203-2011,
8 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 JANUARY 1, 2013]: Sec. 26. (a) As used in this section:

10 "Allocation area" means that part of a redevelopment project area
11 to which an allocation provision of a resolution adopted under section
12 8 of this chapter refers for purposes of distribution and allocation of
13 property taxes.

14 "Base assessed value" means the following:

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

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

22 (B) to the extent that it is not included in clause (A), the net
23 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 (2) If an allocation provision is adopted after June 30, 1997, in a
28 declaratory resolution or an amendment to a declaratory
29 resolution establishing a redevelopment project area:

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

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

39 (3) If:

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

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

46 the net assessed value of all the property as finally determined for
47 the assessment date immediately preceding the effective date of
48 the allocation provision adopted after June 30, 1997, as adjusted
49 under subsection (h).

50 (4) Except as provided in subdivision (5), for all other allocation

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

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

26 (b) A resolution adopted under section 8 of this chapter on or before
 27 the allocation deadline determined under subsection (i) may include a
 28 provision with respect to the allocation and distribution of property
 29 taxes for the purposes and in the manner provided in this section. A
 30 resolution previously adopted may include an allocation provision by
 31 the amendment of that resolution on or before the allocation deadline
 32 determined under subsection (i) in accordance with the procedures
 33 required for its original adoption. A declaratory resolution or an
 34 amendment that establishes an allocation provision after June 30, 1995,
 35 must specify an expiration date for the allocation provision. For an
 36 allocation area established before July 1, 2008, the expiration date may
 37 not be more than thirty (30) years after the date on which the allocation
 38 provision is established. For an allocation area established after June
 39 30, 2008, the expiration date may not be more than twenty-five (25)
 40 years after the date on which the first obligation was incurred to pay
 41 principal and interest on bonds or lease rentals on leases payable from
 42 tax increment revenues. However, with respect to bonds or other
 43 obligations that were issued before July 1, 2008, if any of the bonds or
 44 other obligations that were scheduled when issued to mature before the
 45 specified expiration date and that are payable only from allocated tax
 46 proceeds with respect to the allocation area remain outstanding as of
 47 the expiration date, the allocation provision does not expire until all of
 48 the bonds or other obligations are no longer outstanding. The allocation
 49 provision may apply to all or part of the redevelopment project area.
 50 The allocation provision must require that any property taxes

1 subsequently levied by or for the benefit of any public body entitled to
2 a distribution of property taxes on taxable property in the allocation
3 area be allocated 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 is 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 redevelopment district and, when
23 collected, paid into a special fund for that allocation area that may
24 be used by the redevelopment district only to do one (1) or more
25 of the following:

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

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

33 (C) Pay the principal of and interest on bonds payable from
34 allocated tax proceeds in that allocation area and from the
35 special tax levied under section 19 of this chapter.

36 (D) Pay the principal of and interest on bonds issued by the
37 consolidated city to pay for local public improvements that are
38 physically located in or physically connected to that allocation
39 area.

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

43 (F) Make payments on leases payable from allocated tax
44 proceeds in that allocation area under section 17.1 of this
45 chapter.

46 (G) Reimburse the consolidated city for expenditures for local
47 public improvements (which include buildings, parking
48 facilities, and other items set forth in section 17 of this
49 chapter) that are physically located in or physically connected
50 to that allocation area.

- 1 (H) Reimburse the unit for rentals paid by it for a building or
 2 parking facility that is physically located in or physically
 3 connected to that allocation area under any lease entered into
 4 under IC 36-1-10.
- 5 (I) Reimburse public and private entities for expenses incurred
 6 in training employees of industrial facilities that are located:
 7 (i) in the allocation area; and
 8 (ii) on a parcel of real property that has been classified as
 9 industrial property under the rules of the department of local
 10 government finance.
- 11 However, the total amount of money spent for this purpose in
 12 any year may not exceed the total amount of money in the
 13 allocation fund that is attributable to property taxes paid by the
 14 industrial facilities described in this clause. The
 15 reimbursements under this clause must be made within three
 16 (3) years after the date on which the investments that are the
 17 basis for the increment financing are made.
- 18 (J) Pay the costs of carrying out an eligible efficiency project
 19 (as defined in IC 36-9-41-1.5) within the unit that established
 20 the redevelopment commission. However, property tax
 21 proceeds may be used under this clause to pay the costs of
 22 carrying out an eligible efficiency project only if those
 23 property tax proceeds exceed the amount necessary to do the
 24 following:
 25 (i) Make, when due, any payments required under clauses
 26 (A) through (I), including any payments of principal and
 27 interest on bonds and other obligations payable under this
 28 subdivision, any payments of premiums under this
 29 subdivision on the redemption before maturity of bonds, and
 30 any payments on leases payable under this subdivision.
 31 (ii) Make any reimbursements required under this
 32 subdivision.
 33 (iii) Pay any expenses required under this subdivision.
 34 (iv) Establish, augment, or restore any debt service reserve
 35 under this subdivision.
- 36 The special fund may not be used for operating expenses of the
 37 commission.
- 38 (4) Before July 15 of each year, the commission shall do the
 39 following:
 40 (A) Determine the amount, if any, by which the assessed value
 41 of the taxable property in the allocation area for the most
 42 recent assessment date minus the base assessed value, when
 43 multiplied by the estimated tax rate of the allocation area will
 44 exceed the amount of assessed value needed to provide the
 45 property taxes necessary to make, when due, principal and
 46 interest payments on bonds described in subdivision (3) plus
 47 the amount necessary for other purposes described in
 48 subdivision (3) and subsection (g).
 49 (B) Provide a written notice to the county auditor, the
 50 legislative body of the consolidated city, and the officers who

1 are authorized to fix budgets, tax rates, and tax levies under
 2 IC 6-1.1-17-5 for each of the other taxing units that is wholly
 3 or partly located within the allocation area. The notice must:

4 (i) state the amount, if any, of excess assessed value that the
 5 commission has determined may be allocated to the
 6 respective taxing units in the manner prescribed in
 7 subdivision (1); or

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

11 The county auditor shall allocate to the respective taxing units
 12 the amount, if any, of excess assessed value determined by the
 13 commission. The commission may not authorize an allocation
 14 to the respective taxing units under this subdivision if to do so
 15 would endanger the interests of the holders of bonds described
 16 in subdivision (3).

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

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

23 (2) the base assessed value.

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

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

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

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

39 (2) the base assessed value.

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

(b)(3) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

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

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

(A) Businesses operating in the enterprise zone.

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

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

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

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

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

2 (2) Subject to subdivision (3), the initial allocation deadline and
3 subsequent allocation deadlines are automatically extended in
4 increments of five (5) years, so that allocation deadlines
5 subsequent to the initial allocation deadline fall on December 31,
6 2016, and December 31 of each fifth year thereafter.

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

10 (A) terminates the automatic extension of allocation deadlines
11 under subdivision (2); and

12 (B) specifically designates a particular date as the final
13 allocation deadline.

14 SECTION 57. IC 36-7-15.1-36.3 IS ADDED TO THE INDIANA
15 CODE AS A NEW SECTION TO READ AS FOLLOWS
16 [EFFECTIVE JULY 1, 2012]: **Sec. 36.3. (a) Within thirty (30) days**
17 **after the close of each calendar year, the commission shall file with**
18 **the mayor a report setting out the commission's activities during**
19 **the preceding calendar year.**

20 (b) **The report required by subsection (a) must show the names**
21 **of the then qualified and acting commissioners, the names of the**
22 **officers of that body, the number of regular employees and their**
23 **fixed salaries or compensation, the amount of the expenditures**
24 **made during the preceding year and their general purpose, an**
25 **accounting of the tax increment revenues expended by any entity**
26 **receiving the tax increment revenues as a grant or loan from the**
27 **commission, the amount of funds on hand at the close of the**
28 **calendar year, and other information necessary to disclose the**
29 **activities of the commission and the results obtained.**

30 (c) **A copy of each report filed under this section must be**
31 **submitted to the department of local government finance in an**
32 **electronic format under IC 5-14-6.**

33 SECTION 58. IC 36-7-15.1-53, AS AMENDED BY P.L.203-2011,
34 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JANUARY 1, 2013]: Sec. 53. (a) As used in this section:

36 "Allocation area" means that part of a redevelopment project area
37 to which an allocation provision of a resolution adopted under section
38 40 of this chapter refers for purposes of distribution and allocation of
39 property taxes.

40 "Base assessed value" means:

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

45 (2) to the extent that it is not included in subdivision (1), the net
46 assessed value of property that is assessed as residential property
47 under the rules of the department of local government finance, as
48 finally determined for any assessment date after the effective date
49 of the allocation provision.

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

1 (b) A resolution adopted under section 40 of this chapter on or
2 before the allocation deadline determined under subsection (i) may
3 include a provision with respect to the allocation and distribution of
4 property taxes for the purposes and in the manner provided in this
5 section. A resolution previously adopted may include an allocation
6 provision by the amendment of that resolution on or before the
7 allocation deadline determined under subsection (i) in accordance with
8 the procedures required for its original adoption. A declaratory
9 resolution or an amendment that establishes an allocation provision
10 must be approved by resolution of the legislative body of the excluded
11 city and must specify an expiration date for the allocation provision.
12 For an allocation area established before July 1, 2008, the expiration
13 date may not be more than thirty (30) years after the date on which the
14 allocation provision is established. For an allocation area established
15 after June 30, 2008, the expiration date may not be more than
16 twenty-five (25) years after the date on which the first obligation was
17 incurred to pay principal and interest on bonds or lease rentals on
18 leases payable from tax increment revenues. However, with respect to
19 bonds or other obligations that were issued before July 1, 2008, if any
20 of the bonds or other obligations that were scheduled when issued to
21 mature before the specified expiration date and that are payable only
22 from allocated tax proceeds with respect to the allocation area remain
23 outstanding as of the expiration date, the allocation provision does not
24 expire until all of the bonds or other obligations are no longer
25 outstanding. The allocation provision may apply to all or part of the
26 redevelopment project area. The allocation provision must require that
27 any property taxes subsequently levied by or for the benefit of any
28 public body entitled to a distribution of property taxes on taxable
29 property in the allocation area be allocated and distributed as follows:

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

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

34 or

35 (B) the base assessed value;

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

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

46 (3) Except as otherwise provided in this section, property tax
47 proceeds in excess of those described in subdivisions (1) and (2)
48 shall be allocated to the redevelopment district and, when
49 collected, paid into a special fund for that allocation area that may
50 be used by the redevelopment district only to do one (1) or more

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

1 multiplied by the estimated tax rate of the allocation area, will
 2 exceed the amount of assessed value needed to provide the
 3 property taxes necessary to make, when due, principal and
 4 interest payments on bonds described in subdivision (3) plus
 5 the amount necessary for other purposes described in
 6 subdivision (3) and subsection (g).

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

13 (i) state the amount, if any, of excess assessed value that the
 14 commission has determined may be allocated to the
 15 respective taxing units in the manner prescribed in
 16 subdivision (1); or

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

20 The county auditor shall allocate to the respective taxing units
 21 the amount, if any, of excess assessed value determined by the
 22 commission. The commission may not authorize an allocation
 23 to the respective taxing units under this subdivision if to do so
 24 would endanger the interests of the holders of bonds described
 25 in subdivision (3).

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

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

32 (2) the base assessed value.

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

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

41 (f) Notwithstanding any other law, the assessed value of all taxable
 42 property in the allocation area, for purposes of tax limitation, property
 43 tax replacement, and formulation of the budget, tax rate, and tax levy
 44 for each political subdivision in which the property is located, is the
 45 lesser of:

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

48 (2) the base assessed value.

49 (g) If any part of the allocation area is located in an enterprise zone
 50 created under IC 5-28-15, the unit that designated the allocation area

1 shall create funds as specified in this subsection. A unit that has
 2 obligations, bonds, or leases payable from allocated tax proceeds under
 3 subsection (b)(3) shall establish an allocation fund for the purposes
 4 specified in subsection (b)(3) and a special zone fund. Such a unit
 5 shall, until the end of the enterprise zone phase out period, deposit each
 6 year in the special zone fund the amount in the allocation fund derived
 7 from property tax proceeds in excess of those described in subsection
 8 (b)(1) and (b)(2) from property located in the enterprise zone that
 9 exceeds the amount sufficient for the purposes specified in subsection
 10 (b)(3) for the year. A unit that has no obligations, bonds, or leases
 11 payable from allocated tax proceeds under subsection (b)(3) shall
 12 establish a special zone fund and deposit all the property tax proceeds
 13 in excess of those described in subsection (b)(1) and (b)(2) in the fund
 14 derived from property tax proceeds in excess of those described in
 15 subsection (b)(1) and (b)(2) from property located in the enterprise
 16 zone. The unit that creates the special zone fund shall use the fund,
 17 based on the recommendations of the urban enterprise association, for
 18 one (1) or more of the following purposes:

19 (1) To pay for programs in job training, job enrichment, and basic
 20 skill development designed to benefit residents and employers in
 21 the enterprise zone. The programs must reserve at least one-half
 22 (1/2) of the enrollment in any session for residents of the
 23 enterprise zone.

24 (2) To make loans and grants for the purpose of stimulating
 25 business activity in the enterprise zone or providing employment
 26 for enterprise zone residents in an enterprise zone. These loans
 27 and grants may be made to the following:

28 (A) Businesses operating in the enterprise zone.

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

31 (3) To provide funds to carry out other purposes specified in
 32 subsection (b)(3). However, where reference is made in
 33 subsection (b)(3) to the allocation area, the reference refers, for
 34 purposes of payments from the special zone fund, only to that part
 35 of the allocation area that is also located in the enterprise zone.

36 (h) The state board of accounts and department of local government
 37 finance shall make the rules and prescribe the forms and procedures
 38 that they consider expedient for the implementation of this chapter.
 39 After each general reassessment **of real property in an area under**
 40 **IC 6-1.1-4-4 or reassessment under a county's reassessment plan**
 41 **prepared under ~~IC 6-1.1-4~~, IC 6-1.1-4.2**, the department of local
 42 government finance shall adjust the base assessed value one (1) time
 43 to neutralize any effect of the ~~general~~ reassessment **of the real**
 44 **property in the area** on the property tax proceeds allocated to the
 45 redevelopment district under this section. After each annual adjustment
 46 under IC 6-1.1-4-4.5, the department of local government finance shall
 47 adjust the base assessed value to neutralize any effect of the annual
 48 adjustment on the property tax proceeds allocated to the redevelopment
 49 district under this section. However, the adjustments under this
 50 subsection may not include the effect of property tax abatements under

1 IC 6-1.1-12.1, and these adjustments may not produce less property tax
 2 proceeds allocable to the redevelopment district under subsection
 3 (b)(3) than would otherwise have been received if the general
 4 reassessment, **reassessment under the county's reassessment plan**,
 5 or annual adjustment had not occurred. The department of local
 6 government finance may prescribe procedures for county and township
 7 officials to follow to assist the department in making the adjustments.

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

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

11 (2) Subject to subdivision (3), the initial allocation deadline and
 12 subsequent allocation deadlines are automatically extended in
 13 increments of five (5) years, so that allocation deadlines
 14 subsequent to the initial allocation deadline fall on December 31,
 15 2016, and December 31 of each fifth year thereafter.

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

19 (A) terminates the automatic extension of allocation deadlines
 20 under subdivision (2); and

21 (B) specifically designates a particular date as the final
 22 allocation deadline.

23 SECTION 59. IC 36-7-30-25, AS AMENDED BY P.L.203-2011,
 24 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JANUARY 1, 2013]: Sec. 25. (a) The following definitions apply
 26 throughout this section:

27 (1) "Allocation area" means that part of a military base reuse area
 28 to which an allocation provision of a declaratory resolution
 29 adopted under section 10 of this chapter refers for purposes of
 30 distribution and allocation of property taxes.

31 (2) "Base assessed value" means:

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

36 (B) to the extent that it is not included in clause (A) or (C), the
 37 net assessed value of any and all parcels or classes of parcels
 38 identified as part of the base assessed value in the declaratory
 39 resolution or an amendment thereto, as finally determined for
 40 any subsequent assessment date; plus

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

46 Clause (C) applies only to allocation areas established in a
 47 military reuse area after June 30, 1997, and to the part of an
 48 allocation area that was established before June 30, 1997, and that
 49 is added to an existing allocation area after June 30, 1997.

50 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real

- 1 property.
- 2 (b) A declaratory resolution adopted under section 10 of this chapter
3 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
4 resolutions adopted under IC 36-7-14-15 may include a provision with
5 respect to the allocation and distribution of property taxes for the
6 purposes and in the manner provided in this section. A declaratory
7 resolution previously adopted may include an allocation provision by
8 the amendment of that declaratory resolution in accordance with the
9 procedures set forth in section 13 of this chapter. The allocation
10 provision may apply to all or part of the military base reuse area. The
11 allocation provision must require that any property taxes subsequently
12 levied by or for the benefit of any public body entitled to a distribution
13 of property taxes on taxable property in the allocation area be allocated
14 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 are 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 military base reuse district and, when
34 collected, paid into an allocation fund for that allocation area that
35 may be used by the military base reuse district and only to do one
36 (1) or more of the following:
- 37 (A) Pay the principal of and interest and redemption premium
38 on any obligations incurred by the military base reuse district
39 or any other entity for the purpose of financing or refinancing
40 military base reuse activities in or directly serving or
41 benefiting that allocation area.
- 42 (B) Establish, augment, or restore the debt service reserve for
43 bonds payable solely or in part from allocated tax proceeds in
44 that allocation area or from other revenues of the reuse
45 authority, including lease rental revenues.
- 46 (C) Make payments on leases payable solely or in part from
47 allocated tax proceeds in that allocation area.
- 48 (D) Reimburse any other governmental body for expenditures
49 made for local public improvements (or structures) in or
50 directly serving or benefiting that allocation area.

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

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

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

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

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

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

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

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

- 40 (i) state the amount, if any, of excess property taxes that the
 41 reuse authority has determined may be paid to the respective
 42 taxing units in the manner prescribed in subdivision (1); or
- 43 (ii) state that the reuse authority has determined that there
 44 are no excess property tax proceeds that may be allocated to
 45 the respective taxing units in the manner prescribed in
 46 subdivision (1).

47 The county auditor shall allocate to the respective taxing units
 48 the amount, if any, of excess property tax proceeds determined
 49 by the reuse authority. The reuse authority may not authorize
 50 a payment to the respective taxing units under this subdivision

1 if to do so would endanger the interest of the holders of bonds
2 described in subdivision (3) or lessors under section 19 of this
3 chapter.

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

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

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

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

19 (f) Notwithstanding any other law, the assessed value of all taxable
20 property in the allocation area, for purposes of tax limitation, property
21 tax replacement, and the making of the budget, tax rate, and tax levy
22 for each political subdivision in which the property is located is the
23 lesser of:

- 24 (1) the assessed value of the property as valued without regard to
25 this section; or
26 (2) the base assessed value.

27 (g) If any part of the allocation area is located in an enterprise zone
28 created under IC 5-28-15, the unit that designated the allocation area
29 shall create funds as specified in this subsection. A unit that has
30 obligations, bonds, or leases payable from allocated tax proceeds under
31 subsection (b)(3) shall establish an allocation fund for the purposes
32 specified in subsection (b)(3) and a special zone fund. Such a unit
33 shall, until the end of the enterprise zone phase out period, deposit each
34 year in the special zone fund any amount in the allocation fund derived
35 from property tax proceeds in excess of those described in subsection
36 (b)(1) and (b)(2) from property located in the enterprise zone that
37 exceeds the amount sufficient for the purposes specified in subsection
38 (b)(3) for the year. The amount sufficient for purposes specified in
39 subsection (b)(3) for the year shall be determined based on the pro rata
40 part of such current property tax proceeds from the part of the
41 enterprise zone that is within the allocation area as compared to all
42 such current property tax proceeds derived from the allocation area. A
43 unit that does not have obligations, bonds, or leases payable from
44 allocated tax proceeds under subsection (b)(3) shall establish a special
45 zone fund and deposit all the property tax proceeds in excess of those
46 described in subsection (b)(1) and (b)(2) that are derived from property
47 in the enterprise zone in the fund. The unit that creates the special zone
48 fund shall use the fund (based on the recommendations of the urban
49 enterprise association) for programs in job training, job enrichment,
50 and basic skill development that are designed to benefit residents and

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

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

28 SECTION 60. IC 36-7-30.5-30, AS AMENDED BY HEA
 29 1009-2012, SECTION 246, IS AMENDED TO READ AS FOLLOWS
 30 [EFFECTIVE JANUARY 1, 2013]: Sec. 30. (a) The following
 31 definitions apply throughout this section:

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

36 (2) "Base assessed value" means:

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

41 (B) to the extent that it is not included in clause (A) or (C), the
 42 net assessed value of any and all parcels or classes of parcels
 43 identified as part of the base assessed value in the declaratory
 44 resolution or an amendment to the declaratory resolution, as
 45 finally determined for any subsequent assessment date; plus

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

- 1 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
2 property.
- 3 (b) A declaratory resolution adopted under section 16 of this chapter
4 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
5 resolutions adopted under IC 36-7-14-15 may include a provision with
6 respect to the allocation and distribution of property taxes for the
7 purposes and in the manner provided in this section. A declaratory
8 resolution previously adopted may include an allocation provision by
9 the amendment of that declaratory resolution in accordance with the
10 procedures set forth in section 18 of this chapter. The allocation
11 provision may apply to all or part of the military base development
12 area. The allocation provision must require that any property taxes
13 subsequently levied by or for the benefit of any public body entitled to
14 a distribution of property taxes on taxable property in the allocation
15 area be allocated and distributed as follows:
- 16 (1) Except as otherwise provided in this section, the proceeds of
17 the taxes attributable to the lesser of:
- 18 (A) the assessed value of the property for the assessment date
19 with respect to which the allocation and distribution is made;
20 or
21 (B) the base assessed value;
- 22 shall be allocated to and, when collected, paid into the funds of
23 the respective taxing units.
- 24 (2) The excess of the proceeds of the property taxes imposed for
25 the assessment date with respect to which the allocation and
26 distribution is made that are attributable to taxes imposed after
27 being approved by the voters in a referendum or local public
28 question conducted after April 30, 2010, not otherwise included
29 in subdivision (1) shall be allocated to and, when collected, paid
30 into the funds of the taxing unit for which the referendum or local
31 public question was conducted.
- 32 (3) Except as otherwise provided in this section, property tax
33 proceeds in excess of those described in subdivisions (1) and (2)
34 shall be allocated to the development authority and, when
35 collected, paid into an allocation fund for that allocation area that
36 may be used by the development authority and only to do one (1)
37 or more of the following:
- 38 (A) Pay the principal of and interest and redemption premium
39 on any obligations incurred by the development authority or
40 any other entity for the purpose of financing or refinancing
41 military base development or reuse activities in or directly
42 serving or benefiting that allocation area.
- 43 (B) Establish, augment, or restore the debt service reserve for
44 bonds payable solely or in part from allocated tax proceeds in
45 that allocation area or from other revenues of the development
46 authority, including lease rental revenues.
- 47 (C) Make payments on leases payable solely or in part from
48 allocated tax proceeds in that allocation area.
- 49 (D) Reimburse any other governmental body for expenditures
50 made for local public improvements (or structures) in or

1 directly serving or benefiting that allocation area.
 2 (E) For property taxes first due and payable before 2009, pay
 3 all or a part of a property tax replacement credit to taxpayers
 4 in an allocation area as determined by the development
 5 authority. This credit equals the amount determined under the
 6 following STEPS for each taxpayer in a taxing district (as
 7 defined in IC 6-1.1-1-20) that contains all or part of the
 8 allocation area:
 9 STEP ONE: Determine that part of the sum of the amounts
 10 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
 11 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
 12 IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to
 13 the taxing district.
 14 STEP TWO: Divide:
 15 (i) that part of each county's eligible property tax
 16 replacement amount (as defined in IC 6-1.1-21-2 (before its
 17 repeal)) for that year as determined under IC 6-1.1-21-4
 18 (before its repeal) that is attributable to the taxing district;
 19 by
 20 (ii) the STEP ONE sum.
 21 STEP THREE: Multiply:
 22 (i) the STEP TWO quotient; by
 23 (ii) the total amount of the taxpayer's taxes (as defined in
 24 IC 6-1.1-21-2 (before its repeal)) levied in the taxing district
 25 that have been allocated during that year to an allocation
 26 fund under this section.
 27 If not all the taxpayers in an allocation area receive the credit
 28 in full, each taxpayer in the allocation area is entitled to
 29 receive the same proportion of the credit. A taxpayer may not
 30 receive a credit under this section and a credit under section
 31 32 of this chapter (before its repeal) in the same year.
 32 (F) Pay expenses incurred by the development authority for
 33 local public improvements or structures that were in the
 34 allocation area or directly serving or benefiting the allocation
 35 area.
 36 (G) Reimburse public and private entities for expenses
 37 incurred in training employees of industrial facilities that are
 38 located:
 39 (i) in the allocation area; and
 40 (ii) on a parcel of real property that has been classified as
 41 industrial property under the rules of the department of local
 42 government finance.
 43 However, the total amount of money spent for this purpose in
 44 any year may not exceed the total amount of money in the
 45 allocation fund that is attributable to property taxes paid by the
 46 industrial facilities described in this clause. The
 47 reimbursements under this clause must be made not more than
 48 three (3) years after the date on which the investments that are
 49 the basis for the increment financing are made.
 50 The allocation fund may not be used for operating expenses of the

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

1 for each political subdivision in which the property is located is the
2 lesser of:

- 3 (1) the assessed value of the property as valued without regard to
4 this section; or
5 (2) the base assessed value.

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

38 (h) After each general reassessment of **real property in an area**
39 **under IC 6-1.1-4-4 or reassessment under a reassessment plan**
40 **prepared under ~~IC 6-1.1-4~~, IC 6-1.1-4-4.2**, the department of local
41 government finance shall adjust the base assessed value one (1) time
42 to neutralize any effect of the ~~general~~ reassessment of the **real**
43 **property in the area** on the property tax proceeds allocated to the
44 military base development district under this section. After each annual
45 adjustment under IC 6-1.1-4-4.5, the department of local government
46 finance shall adjust the base assessed value to neutralize any effect of
47 the annual adjustment on the property tax proceeds allocated to the
48 military base development district under this section. However, the
49 adjustments under this subsection may not include the effect of
50 property tax abatements under IC 6-1.1-12.1, and these adjustments

1 may not produce less property tax proceeds allocable to the military
 2 base development district under subsection (b)(3) than would otherwise
 3 have been received if the general reassessment, **reassessment under**
 4 **the county's reassessment plan**, or annual adjustment had not
 5 occurred. The department of local government finance may prescribe
 6 procedures for county and township officials to follow to assist the
 7 department in making the adjustments.

8 SECTION 61. IC 36-7-32-19, AS AMENDED BY P.L.154-2006,
 9 SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JANUARY 1, 2013]: Sec. 19. (a) The state board of accounts and
 11 department of local government finance shall make the rules and
 12 prescribe the forms and procedures that the state board of accounts and
 13 department of local government finance consider appropriate for the
 14 implementation of an allocation area under this chapter.

15 (b) After each general reassessment of **real property in an area**
 16 **under IC 6-1.1-4-4 or reassessment under a reassessment plan**
 17 **prepared under ~~IC 6-1.1-4~~, IC 6-1.1-4-4.2**, the department of local
 18 government finance shall adjust the base assessed value one (1) time
 19 to neutralize any effect of the ~~general~~ **reassessment of the real**
 20 **property in the area** on the property tax proceeds allocated to the
 21 certified technology park fund under section 17 of this chapter. After
 22 each annual adjustment under IC 6-1.1-4-4.5, the department of local
 23 government finance shall adjust the base assessed value to neutralize
 24 any effect of the annual adjustment on the property tax proceeds
 25 allocated to the certified technology park fund under section 17 of this
 26 chapter.

27 SECTION 62. **An emergency is declared for this act.**

(Reference is to ESB 19 as reprinted February 28, 2012.)

Conference Committee Report
on
Engrossed Senate Bill 19

Signed by:

Senator Boots
Chairperson

Representative Thompson

Senator Broden

Representative Pelath

Senate Conferees

House Conferees